

# **Strategic Economic Development Assessment**

**for**

**The City of Maple Valley,  
Washington**

**FINAL REPORT**

**March 2014**



INTERNATIONAL  
ECONOMIC DEVELOPMENT  
COUNCIL

*The Power of Knowledge and Leadership*

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## I. Project Overview

The International Economic Development Council (IEDC) was retained by the City of Maple Valley to perform a strategic economic development assessment of the community and opportunities to grow its economic base. The resulting report – this document – will be used to inform the economic development section of Maple Valley’s comprehensive plan update, which will be completed in 2014.

The strategic assessment process for Maple Valley centered on a three-day site visit that took place on Nov. 20-22, 2013. An IEDC expert panel, comprising three practitioner /consultants with relevant expertise, plus two IEDC staff, visited the community to gather information via a tour and a series of stakeholder meetings.<sup>1</sup> The panel reviewed a report of background information on Maple Valley, prepared by IEDC staff, in advance of the visit to become familiar with the community’s key issues. The team members included:

- Daniel C. Henderson, CEcD, Real Estate and Economic Development Director, Town of Gilbert, Arizona
- Allison Larsen, CEcD, Principal, TadZo
- Leland Smith, President, Elesco Ltd.
- Louise Anderson, Senior Associate, IEDC
- Frankie Clogston, consultant to IEDC

At the close of the site visit, the panel presented its preliminary conclusions and recommendations to city staff members David Johnston (city manager), Steve Clark (public works & community development director), and Matt Torpey (senior planner).

Since then, IEDC staff, with input from the expert panel, prepared this report of recommended strategies, case studies and policy actions. This report builds on the conclusions presented at the close of the site visit to propose actions, provide specific tools and resources, and identify roles for partnering entities that will improve the effectiveness of the city’s economic development efforts.

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<sup>1</sup> In addition to the stakeholders with whom the team met during its visit, additional phone interviews were conducted with the following: Jeanie Ashe, Business Services Division, Washington State Department of Commerce; Peter Cavanaugh, Workforce Development Council of Seattle -King County; Ray Moser, Office of the King County Executive; Sarah Lee, Puget Sound Regional Council; Jeff Marcell President & CEO, Economic Development Council of Seattle-King County; Mike Maryanski, Superintendent, Tahoma School District; Liz Underwood-Bultmann, Puget Sound Regional Council; Anneliese Vance-Sherman, Ph.D., Regional labor economist, Employment Security Department, Washington State; Sue VanRuff, Executive Director, Maple Valley-Black Diamond Chamber of Commerce; Jaclyn Woodson, Business Services Division, Washington State Department of Commerce.

## Background

Since its incorporation in 1997, Maple Valley's growth has been driven by its attractiveness as a bedroom community for the greater Seattle and King County region. The city's jobs-housing ratio is low, which is reflected in its tax base: 80 percent of revenues derive from residential taxes and 20 percent from commercial sources. Commuting patterns also reflect the low jobs-housing ratio, with an estimated 60 percent of residents leaving the city every day to go to work.

Elected officials, city staff and volunteers on the city's Economic Development Committee have recognized the importance of bringing new, higher-skill jobs to the city. The Fred Meyer development that opened in 2011 is an important new source of revenue and jobs for the city, but the jobs are at a lower wage level. City stakeholders who met with the IEDC panel expressed interest in attracting high-technology, corporate or light manufacturing uses that provide "family-wage" jobs, ideally located on some of the city's larger vacant parcels.

In addition to a desire for more family-wage jobs, a more diversified tax base is a pressing need because Maple Valley is approaching residential build-out. Though the city went through a real estate boom that increased housing stock roughly 40 percent from 2000 to 2010, the recent recession and the shortage of available land for additional housing means that future revenue growth will have to come from other sources. City Manager David Johnston spoke to the IEDC panel about the city's approaching "fiscal cliff," in which it will not meet the required reserve ratio for its funds if it continues to spend and generate revenue revenues at current levels. It needs to generate new forms of revenue outside the residential tax base.

At the same time, city leaders and residents value Maple Valley's high quality of life, and therefore seek job growth that preserves and reinforces its brand as an attractive community for both residents and businesses in the region.

## What follows in this report

This report is organized into four principle sections. The section following this overview provides an analysis of the city's strengths and challenges in the form of a SWOT analysis (strengths, weaknesses, opportunities and threats) in the areas of capacity and competitiveness.

The third section presents detailed recommendations for implementation organized into three broad areas:

- A. Building capacity for economic development,
- B. Maximizing employment opportunities on available land, and
- C. Setting the stage for long-term economic development success.

The fourth section of the report provides best practices and case studies of projects and initiatives from other communities that are relevant to Maple Valley. Case studies address capacity-building and communication initiatives, business retention and expansion programs, the development of an office park and the establishment of a regional learning center.

The fifth section of the report presents policy recommendations that the city can use as a basis for drafting the economic development component of its Comprehensive Plan update. These

policy recommendations are based on the SWOT analysis and the detailed implementation recommendations. They are presented in a format comparable to the economic development sections of the comprehensive plans of Renton, Kent, Covington and Auburn, which the IEDC team reviewed by way of background.

Appendix A summarizes key demographic and economic characteristics of the city, which also are key elements of the city's Comprehensive Plan update. Appendix B provides biographies for the IEDC panel.

## II. Analysis of Strengths and Challenges

The following section analyzes the strengths and challenges to economic development in Maple Valley, focusing first on capacity and second on competitiveness.

### A. Capacity Analysis

<b>Strengths</b> <ul style="list-style-type: none"><li>• Change in city council orientation toward economic development</li><li>• Economic development background of city manager</li><li>• Engagement of private sector with Economic Development Committee (EDC)</li></ul>	<b>Weaknesses</b> <ul style="list-style-type: none"><li>• Reactive economic development approach</li><li>• No economic development staff/ ED point of contact</li><li>• No program of work</li></ul>
<b>Opportunities</b> <ul style="list-style-type: none"><li>• Untapped regional partners</li><li>• More defined alignment with the chamber of commerce</li><li>• Expanded contributions of EDC</li></ul>	<b>Threats</b> <ul style="list-style-type: none"><li>• Stronger economic development organizations in other communities</li><li>• Political risk</li><li>• Fiscal cliff</li><li>• Growth opponents</li></ul>

#### Strengths

- **Change in city council orientation toward economic development.** In the last five years, Maple Valley's city council has been more active in prioritizing economic development for the city. Ushered in by changes in composition in 2008 and 2010, the council has made decisions that have helped facilitate economic development, including passing an ordinance in 2009 to increase the maximum allowable square foot for a building from 60,000 (dating back to 1997) to 200,000 square feet, paving the way for Fred Meyer. In a process that moved quickly over about six months, the council also approved the rezoning of the majority of the Brandt and gravel pit areas to Service Commercial (SC) to allow for industrial and commercial development.
- **Economic development background of city manager.** Since he joined Maple Valley as city manager in 2009, David Johnston has drawn on the background he gained while managing municipalities in Illinois and Indiana to bring economic development issues to the fore in Maple Valley. He created a new Economic Development Committee and is taking steps to diversify the city's fiscal base by seeking to develop vacant parcels, as appropriate, to develop employment centers in the city.
- **Engagement of private sector with Economic Development Committee (EDC).** Since its creation in 2011, the Economic Development Committee has become an important resource for the city. Its members are rooted in the community and region and

contribute a wide range of private- and public-sector background and expertise. Members have a strong grasp of economic development issues as evidenced in their February 2012 recommendations to the city council. This group can continue to play a role in supporting community and economic development initiatives in Maple Valley.

### Weaknesses

- **Reactive economic development approach.** In the past, the city been perceived more as being “open to business” than “open for business.” The experience of the Fred Meyer development that took several years to bring to fruition is a case in point. With the development, the city experienced a learning curve in terms of facilitating the attraction and development of a new business, from land use changes to permitting and other facets of service delivery.
- **No economic development staff/ point of contact.** Maple Valley is a small municipality and budget constraints will likely prevent it from having a full-time economic development staff person in the near future. Improvements can be made by establishing a single point of contact for existing businesses and new prospects who walk into city hall, as well in determining the city’s follow-up approach.
- **No program of work.** Though the city has taken steps to focus on economic development, it does not have a specific program of work in place.

### Opportunities

- **Untapped regional partners.** Many entities in the region can become stronger partners with Maple Valley as it embarks on its economic development efforts, including, most notably, the Economic Development Council of Seattle and King County, the Puget Sound Regional Council, and the community of real estate developers in the region. There is a lack of awareness among these partners about the city’s change in orientation toward economic development and its vacant parcels for industrial development. Additional partners are discussed further on in this report.
- **More defined alignment with the chamber of commerce.** The Maple Valley-Black Diamond Chamber of Commerce performs a valuable service to Maple Valley by serving many local businesses’ needs, especially in the retail sector – including assistance with permitting and licensing, marketing for the retail industry and lobbying on behalf of the business community. The city can build upon the chamber’s existing capacity and networks with better defined and aligned roles for both parties.
- **Expanded contributions of the EDC.** The EDC has members from a wide variety of private and public backgrounds who can provide expertise in terms of site development, developer connections, communication with the public, business retention and more.

## Threats

- **Stronger economic development organizations in other communities.** This is a threat that Maple Valley will continue to face but can mitigate somewhat by making the best of its existing assets and building its capacity.
- **Political risk.** Community surveys indicate a split opinion among Maple Valley residents when it comes to economic development.<sup>2</sup> Some support growth that prioritizes employment centers, while others oppose it or are wary of its need in a historically residential community. This diversity of opinion was evident during the IEDC panel's visit, during which some stakeholders described Maple Valley as "rural" and "residential" while others spoke about its "potential." Any growth will inevitably be seen as positive by some and negative by others.
- **Fiscal cliff.** The city council recently increased the reserve requirement for the city from 10 percent to 16.7 percent. Based on current cash flow projections, by 2017, the city will no longer meet the required fund balance of 16.7 percent if its revenues and expenditures remain the same. Because the city's revenue base growth has slowed with the declining rate of new residential construction, new sources of revenue are needed.
- **Growth opponents.** Some residents resisted changes to the zoning code for properties in the North End. Growth opponents are likely to be a vocal force when specific proposals are on the table and development ensues in the North End, and may be as well when zoning changes and developments are proposed with regard to Summit Place.

## **B. Competitiveness Analysis**

<b>Strengths</b> <ul style="list-style-type: none"><li>• Available land</li><li>• Fiber capacity</li><li>• Proximity to international airport</li><li>• High city bond rating</li><li>• Regional growth</li><li>• Location out of flood plain</li><li>• Lower-cost location</li></ul>	<b>Weaknesses</b> <ul style="list-style-type: none"><li>• "Outer ring" location</li><li>• Traffic congestion</li><li>• No building inventory</li><li>• Lack of site readiness</li><li>• Lack of business case for the city</li><li>• Brand/reputation</li></ul>
<b>Opportunities</b> <ul style="list-style-type: none"><li>• Regional education center</li><li>• Regional workforce draw</li><li>• Strong developer market</li><li>• Underutilized zoning</li></ul>	<b>Threats</b> <ul style="list-style-type: none"><li>• Increasing traffic congestion</li><li>• Competitor communities</li></ul>

<sup>2</sup> Herbert Research, Inc. (May 12, 2012). *City of Maple Valley Community Survey 2012 Executive Summary*.



### Strengths

- **Available land.** Maple Valley has a critical mass of vacant property that could come online for development in the near future. This is a major strength for the city, as sizeable, industrial-zoned vacant parcels are rare in King County. At the top of the IEDC panel's list for development potential is the 35-acre, commercially/industrially zoned portion of the Brandt property at the "North End" site (totaling over 100 acres). The 154-acre "Summit Place" site will have a new high school/ Regional Learning Center on 35 acres, while commercial and industrial uses could follow on much of the balance of the property. The 50-acre Legacy site, owned outright by the city, has potential for a mix of public and private uses further down the line.
- **Fiber capacity.** The city has two fiber lines operated by Integra Telecom and Century Link that are currently not being utilized. Both of these offer sufficient capacity to meet the computing needs of technology companies.
- **Proximity to international airport.** Maple Valley is 20 miles from Seattle-Tacoma International Airport.
- **High city bond rating.** The city's AA+ bond rating is strong signal for investors.
- **Regional growth.** Recent figures from the U.S. Bureau of Labor Statistics show that King County has recovered faster from the recession than both the state of Washington and the United States. As identified by the Economic Development Council of Seattle-King County, the region has strong economic performance in sectors that include aerospace, clean tech, financial services, interactive media, life science, international trade and technology.
- **Location out of the Green and Cedar River flood plains.** Relative to other neighboring cities in the region, Maple Valley has an advantage by being located outside of both the Green and Cedar River flood plains, which reduces insurance rates (according to Herbert and Associates).<sup>3</sup>
- **Lower-cost location.** Because it is located farther from the major metro centers of Seattle and Tacoma, Maple Valley can offer greater cost competitiveness for land and associated development compared to other communities in the Puget Sound Region (an "undiscovered bargain").

### Weaknesses

- **"Outer ring" location.** Maple Valley is located roughly 30 minutes from both Seattle and Tacoma, at the edge of the county's urban growth boundary and the foothills of the Cascade Mountains. The city's setting is picturesque, but its "outer ring" location is a detractor for businesses that want to be closer to the Seattle city center, I-95, Sea-Tac or

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<sup>3</sup> Jim Herbert, Hebert Research Inc., personal communication, Nov. 22, 2013.

other such assets. For these reasons, the city must document a stronger business case in comparison to many competitor communities.

- **Transportation.** The city is located on State Highway 169, a two-lane state highway that becomes congested with commuters. The city lacks direct access to Interstates 5 and 90, although the SR 18/SR 169 interchange is located halfway between them.
- **No building inventory.** While there are a few vacant retail buildings in the Four Corners area and other parts of the city, there are no vacant flex-tech, manufacturing or large-scale office buildings available for new or expanding businesses.
- **Lack of site readiness.** While Maple Valley has vacant sites, they currently are not fully ready to be successfully marketed. Detailed site documentation is needed, and a data package needs to be assembled that provides all the information a developer would need to take on a project.
- **No business case for Maple Valley.** Documentation of the assets that prove Maple Valley is a choice location for business needs to be assembled. A business case is more than a marketing tool; it demonstrates that the city understands the needs of business and can address those needs. While quality of life is valuable for residents, factors such as labor draw, site readiness, and other variables are critical in the decision-making process of a developer or business (end user) and need to be identified and supported with data. The business case should be written in specific terms relevant to business, rather than a marketing brochure.
- **Brand/reputation.** Historically, Maple Valley has been perceived not particularly friendly to development, due in part to a slow permitting process and regulations limiting size and height of buildings. It also has a strong brand as a residential community, which comes with advantages and disadvantages. It highlights Maple Valley's strengths in quality of life, including schools, recreation and natural beauty, but it detracts from its identity as a place where developers would build employment centers or where primary employers would locate.

### Opportunities

- **Regional education center.** The bond measure paving the way for the new high school to be built on the Donut Hole/Summit Place property is an exciting beginning to a planned multi-institutional Regional Education Center. The center will occupy 35 acres of the 154-acre site, leaving space for businesses to locate adjacent. Synergies between educational institutions and business could come in the form of a workforce pipeline of graduates, apprenticeship and learning opportunities, and worker training programs. Additionally, current discussions about the curriculum and design of the Regional Learning Center can bring together a range of partners that will be important to Maple Valley moving forward, including workforce development, industry associations, major area companies and business development interests.

- **Workforce draw.** Anecdotal assessments of the Maple Valley workforce indicate a talented pool of workers in professional services, technology and other high-skill industries. These workers commute to Microsoft, Boeing and other major (and minor) companies across the region. Maple Valley has access to its own pool of skilled workers as well as those available throughout the regional laborshed, a compelling draw for new employers.
- **Strong developer market.** King County and the four-county region has a strong market of developers with whom Maple Valley can build relationships.
- **Underutilized zoning.** Zoning changes can be made to ensure that sites of future employment centers are restricted to uses that produce family-wage jobs. Zoning changes also can be made to encourage greater mixed uses and employment generation on existing inventory.

### Threats

- **Increasing traffic congestion.** SR 169 is already a major source of congestion through the area, and further development in Black Diamond and from other uses will exacerbate the traffic. Some changes undertaken by the city to improve traffic flow of SR 169 in the Four Corners area will improve this, but traffic problems related to 169 are largely an exogenous issue.
- **Competitor communities.** Competitor communities include Black Diamond to the south that has a master plan for a mixed-use development that could include 6,000 to 8,000 residential units and 1 million square feet of commercial space. Other neighboring communities in south King County also are trying to attract economic-base businesses and some are pursuing economic development niches in particular sectors.

### III. Recommendations for Implementation

The following recommendations are organized under three themes:

- A. Building capacity for economic development,
- B. Maximizing employment opportunities on available land, and
- C. Setting the stage for long-term economic development success.

Maple Valley is in a good position to begin focusing on economic development. As it does so, however, it should be mindful of the critical role that partnerships will play as it proceeds. The city's small size and limited staff capacity, as well as its location in a competitive, multi-city metropolitan region, mean that Maple Valley will need to focus externally in a way that it has not in the past. Cultivating partnerships with a range of groups in the region will be key to maximizing its capacity.

The city already has working relationships with many of the partners that the IEDC team sees as critical moving forward. However, some partnerships will be new, and the nature of existing partnerships with other entities will change. Those key partners are:

- The city's Economic Development Committee
- The Maple Valley-Black Diamond Chamber of Commerce
- The Economic Development Council of Seattle and King County
- The Puget Sound Regional Council
- The Workforce Development Council of Seattle-King County
- King County
- State of Washington

Each of these partnerships will be discussed in greater detail below according to function.

#### **A. Building Capacity for Economic Development**

##### **1. Make the case for economic development through a comprehensive, ongoing education and communication program.**

Having been a rural community just 20 years ago and then growing into a bedroom community, Maple Valley's new focus on economic development may be somewhat surprising to many of its residents.

To gain support for these efforts and keep citizens informed, the city has an important role to play in helping them understand why focusing the city's time and resources on economic development is necessary. At the same time, it will be critical also to provide reassurance that economic development can be achieved in Maple Valley without comprising the high quality of life that residents rightly prize. This communication and education will be especially important over the next year during the comprehensive planning process and as the city seeks to attract economic-base employers to undeveloped parcels.

Key messages around shifting to an economic development focus can be shaped around averting the “fiscal cliff.” This is a compelling concept that, reiterated in multiple ways through multiple venues, stakeholders and communication vehicles, should resonate with city residents and businesses. No one likes the idea of reduced services or higher taxes, and city leadership should be commended for being proactive and taking actions with a long-term view.

Themes that tie into the fiscal cliff conversation include:

- *How the city’s revenue base is changing.* Part of the discussion of the “fiscal cliff” involves educating residents about the way that growth in city services has been funded in the past – through residential/building permit growth – and the options for growing the revenue base in the absence of continued housing development. City Manager David Johnston noted during a meeting with the IEDC team his goal of reducing the city’s tax base from 80 percent residential to 60 percent.

This would include, for example, education on how economic development works (e.g., “The Flow of Money”); the difference between “economic base” or “primary” employers and local-serving businesses, and the multiplier effect.<sup>4</sup> These concepts can be simplified and reiterated as part of a public outreach program.

- *Job growth will benefit residents and local businesses, not just city coffers.* The possibility of increasing living-wage jobs in Maple Valley brings with it the possibility of increased daytime activity and population to patronize local businesses. It also brings with it the possibility that some resident no longer will have to commute 20, 30, 60 minutes or more each way to a good job.
- *The limited supply of available land.* Because there is no way for the city to expand geographically, the remaining large tracts need to be preserved for job growth.
- *Improving options for eventual development of the Legacy site.* Economic development and improved city revenues will allow for more flexibility (and perhaps ambition) in the eventual planning and development of the Legacy site.

There are multiple avenues the city can use to transmit these messages. Elected officials and the city’s Economic Development Committee likely will be the most credible and influential ambassadors. They can assist in educating and communicating with residents through city council meetings, attendance at service clubs and similar civic and association functions and other methods, including use of traditional and social media. Both in manner and content, communication with residents and businesses should be transparent and timely.

Cultivating positive working relationships with local and regional journalists can help ensure that key initiatives are covered in the media. Key players in economic development (e.g., the city

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<sup>4</sup> The multiplier effect occurs when an increase in employment in an export (or economic base or primary) industry leads to an increase in employment in non-export (secondary) industry. In other words, increased export industry activity increases the dollars circulating in the local economy, which then increases demand for the products and services provided by non-export industries. Source: IEDC Economic Development Planning manual.

manager, mayor or chair of the Economic Development Committee) could consider writing a weekly, regular or even occasional column in the Maple Valley Recorder and/or other local publications. The city also should develop a social media presence.

In terms of communicating with existing businesses, the city has an opportunity to provide assurance that it values them and that non-retail businesses growth will complement, rather than compete, with the existing base. The growth of new businesses in Maple Valley will generate new revenues, decreasing the prospect of tax increases for existing businesses and residents. Furthermore, by virtue of a multiplier effect, new businesses may create new markets for existing businesses. Technology, office and industrial development will employ a high density of workers per square foot that will increase the daytime population and support existing retail businesses, as well as spur demand for new retail businesses (e.g., cafes and business services).

Examples of similar communication programs and the principles that underlie them are included among the case studies in section IV of this report.

#### **Partner Spotlight: Maple Valley Economic Development Committee**

The 18-member Economic Development Committee (EDC), created in 2011 by the city manager, is a valuable group of stakeholders who have knowledge of the city and of economic development, and have been effective in recommending and pushing for such initiatives in the community.

The EDC has public-sector members from utilities and the school district, nonprofit members from the chamber of commerce and the Center for Advanced Manufacturing-Puget Sound, and private-sector members involved in real estate, environmental engineering and other industries. In short, the committee represents the spread of interests necessary to guide and further economic development in the city.

The IEDC team believes that the EDC can continue to play an important role moving forward. The group can be useful in outreach and communication efforts around “making the case” for economic development (discussed above), participating in business visits as part of a business retention program, outreach to developers and new business prospects in the city, and participating in discussions to shape the development of the new Regional Education Center (all discussed below).

## **2. Establish an economic development service model within the city.**

Maple Valley is a small municipality and budget constraints may prevent it from hiring a full-time economic development staff person in the near term. However, as it prepares to market its larger properties for development, it will be important for the city to have a single point of contact for developers, expanding businesses or new prospects who walk through the doors of city hall.

Beyond establishing an initial point of contact, a team approach for follow-up on specific issues with individual businesses is necessary. Timely, efficient, and responsive follow-up is crucial to

strengthen the city's claim of readiness and commitment to business. For example, such a team may include the city manager, planning director and public works director, with other city employees assisting on an ad hoc basis when necessary.

Although the city needs to organize an internal service model, it is important to also remember that economic development is a team sport. In other words, the city's role is to facilitate resources for businesses that are both internal to the city and those that involve external resource partners. Common partners for a city's economic development team include service providers such as public and private workforce agencies, utilities, financing, etc. The city's economic development team should meet regularly to share updates on projects, general economic issues, new resource offerings and services, and other specific inquiries.

### **3. Develop a business retention and expansion strategy.**

Because 70 to 80 percent of all job creation reportedly comes from existing companies, business retention and expansion (BRE) is considered the bedrock of an effective economic development program. At its most effective, business retention is a customer satisfaction program designed to gain intimate knowledge of local businesses and their industries, as well as to provide seamless service to address problems businesses face as they operate in a community. Business retention is also about building long-term relationships.

Another advantage of participating in a business retention and outreach program is the opportunity it provides the city to deliver the message about the benefits that economic development can bring to new and existing businesses. From conversations with the IEDC panel, it seems that many Maple Valley businesses understand this advantage and support the idea of bringing more jobs to the community. It will be important that the city stress in its communication with business that its economic development focus does not mean a tradeoff to the detriment of existing businesses, or between retail businesses and other commercial/industrial businesses.

#### *a. Work with the chamber to define roles regarding business retention and expansion.*

The Maple Valley-Black Diamond Chamber of Commerce already engages in many business retention and expansion activities. It serves as the "welcome wagon" for new businesses, refers businesses to service providers, provides networking opportunities, and advocates for business interests. It is the one with the information at its fingertips regarding inventory for businesses inquiring about locating or expanding in the city, and it helps existing businesses navigate the city process of inspections, licenses, fees and other needs. By virtue of its existing work, the chamber will continue to play an important role in business retention.

However, a formal business retention program goes further, with regular calls and visits to businesses. The IEDC recommends that the city (perhaps in partnership with volunteers from its Economic Development Committee) begin a program of identifying and calling on non-retail/primary/economic base firms that provide family-wage jobs and have the potential to grow in Maple Valley. The chamber would remain responsible for business retention activities that involve retail and local-serving businesses.

Such a program will help the city better understand its business community and build relationships that can lead to firm growth and to the possible location of employers at the new sites it plans to develop as employment centers.

Although the chamber currently plays an important role in BRE and will continue to do so, the city needs to be a participant in the process, and the division of responsibilities needs to be formalized so that the partners know their role and businesses know where to go for assistance.

*b. Engage in calls, visits and ongoing relationship-building with local businesses.*

Developing relationships and a continual dialogue with existing businesses is where a BRE program begins. The IEDC panel recommends that the city's BRE program include calls, visits and ongoing relationship-building. One way the city can overcome its limited staff capacity for such activities is by having volunteers assist – a common approach in many communities – which could be a role for the Economic Development Committee.

A calling program can help the city identify issues facing businesses that are hampering their growth or may influence them to close or leave. It can also help the city and EDC gain knowledge of potential growth firms that currently fly under the radar and that, connected to the right resources, could grow and employ more Maple Valley residents with family-wage jobs.

More discussion of the tenets of a successful BRE program, along with case examples, is included in the case study section of this report (section IV).



**Regional Partner Spotlight:  
The Economic Development Council of Seattle and King County**

The Economic Development Council of Seattle and King County (EDC-SKC) is a public-private partnership focused on economic development for King County and its 39 cities. One of the council's primary functions is to "provide confidential consulting services free of charge to businesses seeking to relocate, grow, or establish themselves in Seattle and King County."

Through interviews as part of this process, it emerged that the EDC-SKC has been insufficiently aware in the recent past of some of the large, vacant parcels that Maple Valley can offer to newly locating businesses. This is due partially to the fact that the parcels may comprise several contiguous lots (in the case of the North End) and not turn up in real estate search engine results, or that the property has just become available under the city's jurisdiction (as in the case of Summit Place). It is crucial that the city stay in regular contact with EDC-SKC to update it on available land and building inventory options for new businesses seeking to locate in King County.

Additionally, the city should engage EDC-SKC to tour the properties and become acquainted with their location, infrastructure, and other characteristics so that the council can better inform prospects. The city has taken steps in the past few months to coordinate with the EDC-SKC to update Maple Valley's information on its website to reflect current data and vacant land opportunities. Because there are few undeveloped, industrially zoned parcels in King County, this kind of update is crucial so that Maple Valley is visible with current information.

The city should ensure that all its strategic partners have updated information about Maple Valley, including baseline data and information on development prospects for their websites, marketing materials and general knowledge base, especially those strategic partners that may represent the city in any capacity to the developer community.

The EDC is also a valuable source of information for strategic planning in economic development. The EDC has targeted eight industry clusters: aerospace, clean tech, financial services, interactive media, life sciences, international trade, technology and fashion. The organization also provides a valuable data bank on doing business in Washington, economic basics, key industries and forecasts. If and when Maple Valley targets a niche industry or cluster, it should consult EDC-SKC (as well as the Puget Sound Regional Council) for information on industry clusters in the county and region.

### **Regional Partner Spotlight: Puget Sound Regional Council**

The Puget Sound Regional Council (PSRC) represents the four-county region of King, Pierce, Snohomish and Kitsap County with the mission of ensuring a thriving region through planning for regional transportation, growth management and economic development. The city should tap into the resources of the PSRC for technical assistance, data and research, transportation funding, and possible participation in programs such as its regional growth center program.

The time is ripe for Maple Valley to engage with PSRC. Its new director, Josh Brown, is interested in meeting all members in the region, including smaller members. Maple Valley mayor Bill Allison initiated a relationship with the previous director, Bob Drewell, who was in touch with PSRC's economic development arm about Maple Valley after the director toured the city with the mayor. Now that a new director, Josh Brown, is at the helm of PSRC, the city should reengage with the council.

There are multiple benefits to engagement with PSRC. It is the metropolitan planning organization for the four-county region charged with disbursing federal transportation funds. Among other criteria, disbursement is based on the "regional good" – i.e., transportation improvements that benefit not just one jurisdiction but also the region as a whole. Some of Maple Valley's transportation projects, especially related to state highways SR 169 and SR 9 (and in conjunction with a new regional employment center and regional education center) could meet this criterion. Becoming more familiar to PSRC can only help Maple Valley with its requests for transportation funding.

Maple Valley also can avail itself of PSRC's repository of data and information and its technical assistance. PSRC will conduct custom data searches upon request and maintains a wealth of information about industry clusters. It also offers technical assistance, including with review of a community's draft comprehensive plan ahead of certification of the plan.

While Maple Valley may not be eligible for designation by PSRC as a regional growth center or regional manufacturing/industrial center in the short term, it can examine the criteria and consider applying for designation as a regional growth center when conditions are ripe. Currently, 27 cities and neighborhoods are designated as regional growth centers, while eight areas are designated regional manufacturing/industrial centers. The regional growth centers have criteria including a focus on high density and planning for a city center, something Maple Valley could achieve in the future. (Manufacturing/ industrial centers are applicable to communities with a minimum of 10,000 manufacturing jobs and therefore would not apply to the city.) Designation as a center gives a city more "points" when it comes to receiving regional funding, and PSRC also works with these centers to develop and implement their plans.

## ***B. Maximizing Employment Opportunities on Available Land***

The availability of large parcels of land for potential industrial development is a distinct advantage Maple Valley has over other communities in King County. However, among the three major sites the IEDC team reviewed – the North End (Brandt/gravel pit property), Summit Place (Donut Hole) and the Legacy site – each has varying advantages and limitations for development (discussed in more detail below). Therefore, the IEDC team recommends that the city prioritize development of the sites in the following order:

1. North End – Phase One (Brandt property)<sup>5</sup>
2. Summit Place
3. Legacy site

The team recommends that the city approach projects sequentially for several reasons. First, the city will be beginning its first major economic development project with limited staff, organizational capacity, and experience with such projects. Sequencing also will have the benefit of building both capacity and momentum for development among developers, residents and potential end users. The success of one project breaking ground and generating jobs will increase the likelihood of success for future projects.

The Brandt property on the North End is best situated for light industrial, technology-based or office campus development. It has the best access to state roads of the three sites, zoning that will provide for industrial use, environmental and other analyses completed, and its owner is motivated to sell. Not only does it have the greatest potential but it is the readiest for execution of the three.

Regarding Summit Place, appraisals by both King County and developers (completed as recently as 2013) have indicated that the highest and best use for the site was residential/mixed-use. (The name “Summit Place” actually came from a proposal by the developer YarrowBay for a master-planned development with more than 1,600 residences along with some retail and commercial uses.) However, more residential does not fit with the city’s aspiration to increase its jobs to housing ratio.

The appraisals do not mean that technology-based, office or light industrial development is not possible on the site; however, the city will need to work, over time, to position the site for employment-generating uses. Success with the development of the North End site, increased capacity for economic development at the city, improved perception of city interest in economic development, stronger and more robust partnerships, and the development of the Regional Education Center (high school and community college) all will help build interest and feasibility in Summit Place for employment-generating uses. In other words, the North End site has the best potential, if properly packaged and managed by the right developer, to catalyze high-level employment opportunities at Summit Place and elsewhere in the city.

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<sup>5</sup> The timing of Phase Two of the North End – the development of the gravel pit – depends on a number of variables, owner interest first and foremost.

## 1. Prepare and market the North End-Phase One as a regional employment center.

The North End is comprised of the 51-acre “Brandt property” (named for the family that owns the land), the 60-acre J.R. Hayes Gravel Pit property, and smaller residential lots adjacent to the Brandt property and gravel pit, owned by Jim Flynn. The properties are located at the northern end of the city near the intersection of SR 169 and SE 240<sup>th</sup> Way, extending northwest to the east of SR 169.

The IEDC team recommends that the city focus its initial efforts on working with the owners of the Brandt property to develop that site as an independent project, referred to here as Phase One of the North End.

At a later time, the gravel pit property owned by J.R. Hayes may become available. That, along with additional infrastructure, would constitute Phase Two of the North End. However, it will be at least one to two years before the pit is filled in, and the owner has not yet taken steps to market the property for sale.

Consistent with approaching North End in discrete phases, the city should not concern itself with the infrastructure affecting the entire North End – namely, a connector road to SR 18 – at the outset. The Brandt site has an approach on SR 169 that provides an adequate entrance for a business park.

### *Key assets of the North End-Phase One property*

A number of factors contribute to the property’s position as a priority site for employment development:

- **Location.** The property is near the intersection of SR 169 and the major artery of Route 18, facilitating traffic flow in and out of the area at the northern edge of the city.
- **Recent rezoning.** The city council recently rezoned 35 acres of the Brandt property and the entirety of the gravel pit properties as Service Commercial (SC). The rest of the Brandt property is zoned Community Business (9.86 acres) to allow for retail along SR 169 and parks, recreation and open space (5.8 acres).

The rezoning allows for development in line with goals for economic development growth “that recognizes the retail opportunities of SR 169 frontage and advanced technology/manufacturing to be consistent with SC zoning of North Sub-area Plan—sensitive to the residential neighborhoods to the east.”<sup>6</sup> It also included changes to height requirements allowing for 80- to 100-foot building heights. (The residential parcels are zoned R-6.)

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<sup>6</sup> City of Maple Valley, Washington, Ordinance No. O-12-523.  
<http://www.maplevalleywa.gov/home/showdocument?id=5501>

### North End Phases

#### Phase 1

- Brandt Property – 35 acres

#### Phase 2

- Gravel Pit – 60 acres
- Connecting Road from SR 18

- **Access to a world-class talent pool.** The site can draw highly-skilled workers from the regional laborshed, which includes much of King County as well as parts of Pierce County to the south. The Brandt property has direct access to State Highway 169 and is three-quarters of a mile from the State Highway 18 interchange, providing access for commuters from the north and west, respectively.
- **Site-specific readiness and qualities.** The property has immediate potential for development. In addition to the SC zoning, water and sewer are available at the site, and documentation confirms no wetlands or endangered species present. The wooded area of this site would provide an attractive setting for a business park campus. Adding to the appeal, it should be possible to have a view of Mt. Rainier from a few stories up in a structure built on the site.
- **Motivated owners.** Owners of the Brandt Property are actively marketing the site.

#### *Recommended approach*

The Brandt property is well positioned to develop as a business park/high-tech manufacturing campus with office space and possibly flex space for businesses in a range of advanced manufacturing and high-tech industries. Based on a projection from one scenario for a multi-story office and flex-space park, a Regional Employment Center on the site could offer more than 600,000 square feet of building space and employ 800 workers.

#### **Regional Employment Center: Projected Land Use and Jobs (Multi-story/Office and Flex Space Scenario)**

*Total Building Space: 615,930 SF*

*Total Jobs: 800*

##### Building space calculation

- Land use distribution
- 35 acres @ 80% usable for building = 28 net acres = 1,220,000 sq. ft. land.
  - Balance of 7 acres for roads, common areas, utility corridors, etc.
- Building mix – 3, 2 and 1 story buildings
- 20% 3-story (5.6 acres) with FAR of 0.75:1 = 182,952 total SF
  - 30% 2-story (8.4 acres) with FAR of 0.60:1 = 219,534 SF
  - 50% 1-story (14.0 acres) with FAR of 0.35:1 = 213,444 SF

Total building space: 615,930

##### Building uses /jobs calculation

- 3-story buildings - 182,952 SF office use at about 600 sq. ft. per employee = 310 employees-
- 2-story buildings - 219,534 SF combination of offices, R&D, lab space, at about 800 sq. ft. per employee = 275 employees-
- 1-story buildings - 213,444 SF of manufacturing, fab, assembly, warehouse, etc. at about 1,000 sq. ft. per employee = 215 employees

Total employees = 800

In order to achieve goals of developing the property as an employment center with family-wage jobs, the IEDC team recommends that the city improve its readiness by modifying the existing zoning at the site, compiling the data necessary to engage a developer, and issuing a request for proposals.

The IEDC team recommends targeting developers, rather than end users, in order to recruit economic base employers to the North End-Phase One and other property discussed later in this section. While it is tempting to consider jumping straight into the type of business attraction activities that are common in economic development, the city does not yet have the capacity and readiness for such efforts. However, a developer can be a partner with the city to help market the site and attract quality employers. The right development partner will be motivated financially to create the kind of quality product that will help it secure a strong anchor tenant(s).

### *Improving readiness*

Maple Valley has begun to change its orientation toward economic development in the last few years, but it now must focus on specific steps to improve its readiness that match the change in orientation.

The steps discussed below are included in this section of the North End-Phase One because the IEDC team believes this property should be the city's priority for development, as discussed earlier. However, many of the steps outlined below will apply to later development projects in the city.

#### *a. Revise the zoning code to maximize economic development potential.*

Recent zoning changes to North End properties applying a SC designation allow for commercial and industrial uses but do not restrict uses to those that generate family-wage jobs (in alignment with the city's goals). Retail uses are still a potential outcome for the site.

The city recommends changing its zoning designations on the North End-Phase One site to preserve it as a site for primary/economic base employers with limited retail. For example, in some communities, a "business park" zone will allow for limited service businesses and retail that supports business park tenants but not outside customers (allowing for uses such as coffee shops, delis and copy shops). The primary purpose is to add convenience, not expand the market.

#### *b. Compile and prepare data to inform a request for proposals.*

Preparing to go to market with a property requires considerable homework. Securing a developer for a major project is no easy feat, and the numbers have to match up. This section outlines the documentation the city should compile to make its case to the development community.

- *Market analysis.* To prepare to work with a developer(s), the city needs to have a market analysis completed for the North End-Phase One. This analysis should include information on other comparable building inventory in the region and a brief target industry analysis

describing what types of tenants would be most attracted to the product. Data from the Puget Sound Regional Council could be used as a base for estimating business growth and relating that to physical space and other locational determinants.

Once a developer signs on to the project, they will conduct more sophisticated market analysis, but the city needs to have baseline information available at its fingertips to offer to prospects.

#### Components of a market analysis

- Non-residential land use map/ land use designations
- Average lot and building sizes
- Parking ratios
- Vacancy rates
- Projected absorption rates for land

- *Laborshed analysis.* Laborshed studies are now part of the package that developers and prospects expect as part of a city's marketing materials. The availability of labor is among the most critical location factors for a business.

The IEDC team believes that Maple Valley's workforce, as well as the regional laborshed (the area from which an employment center draws commuting workers) is one of the city's strongest selling points. The laborshed analysis will be one of the most important resources for motivating a developer because it provides an incentive for companies to locate in Maple Valley. The analysis will provide greater characterization of the occupational skills of the local and regional labor force. Communities that can document wages, education, current areas of employment and other characteristics of their workforce have a competitive advantage over those that rely on anecdotal, outdated or less detailed information.

#### Components of a workforce / laborshed analysis

- Demarcation of "laborshed" area and associated data
- Projected population, age and race
- Education and income levels
- Employment by industry type (2-digit NAICS code)
- Employment growth projections

At the North End-Phase One site, Maple Valley will be developing a Regional Employment Center that will draw workers not just from the city but also from the region. The same is likely to hold true for new businesses at the Summit Place site.

The Washington State Employment Security Department is a good source of labor data for the city. It will do free or low-cost custom analyses on the workforce in King County, Pierce County and for specific zip codes and municipalities, and document characteristics including age, education, SIC and NAICS codes.

- *Benchmark entitlements and taxes to neighboring competitors.* Multiple municipalities in the area are seeking developers and economic-base employers. In order to compete successfully, the city needs to be knowledgeable of the impact fees, license fees, taxes and costs of other entitlements associated with development in surrounding jurisdictions. This is another area in which the EDC-SKC may be able to provide assistance.

c. *Take steps to engage a developer.*

- *Host a pre-conference and conference with developers.* In advance of creating a request for proposals, the IEDC team recommends that the city hold a pre-conference with developers to get to know prospective players in the field. The goal is to gauge interest, answer questions and address concerns. This will give the city valuable feedback it can use to address strengths and weaknesses as it crafts an initial RFP and help ensure that it has sufficient information on hand to help a developer commit to a project. The EDC-SKC should be a resource in helping the city connect with developers.

Following the RFP's issuance, the city should host another conference to answer additional questions and continue to build relationships and establish accessibility with potential developer partners.

- *Prepare a request for proposals package with detailed site analysis information.* The RFP package should outline the city's vision for the property as an employment center and provide all the basic information that the developer would need to make a preliminary decision on the feasibility of the site for a project.

The RFP package will need to include elements of the market analysis, workforce analysis and a site analysis. Once the city has secured a developer partner, all of these elements will become more detailed, but a strong preliminary package that contains these elements is crucial to recruiting a developer.

#### **Site Analysis Checklist**

*Prepare general background information on the site, including:*

- Brief description of proposed development (types of uses and characterization)
- Site specifications (location, size, slopes, services, other factors affecting development)
- Net buildable area of site
- Proposed site coverage
- Projected building costs per square foot
- Projected net leasable space
- Proposed number and sizes of lots
- Building(s) sizes and characteristics (number of floors, ceiling heights, special features)
- Acquisition cost of site
- Parking, landscaping, common areas

*Perform initial site planning to determine barriers, costs, special considerations to determine the suitability and costs of developing the site for the intended uses. These include:*



- Topographic survey of the site
- Soils and foundation conditions
- Lot layout plan
- Street system plan
- Main highway access plans
- Utility capacities, off-site and on-site requirements to serve the site
- Water line infrastructure
- Wastewater line infrastructure
- Drainage issues
- Environmental issues
- Site-specific analysis

*d. Utilize incentives.*

Incentives can take many forms. Though Washington state prohibits giving incentives in the form of cash or in-kind offsets, Maple Valley has other assets it can use to attract businesses. Chief among these is the level of service Maple Valley can offer, marketing its ability as a nimble and efficient municipality with minimal red tape. With the residential boom of 2000 to 2007 effectively at a close, city resources previously devoted to this development may possibly be redeployed to devote time to economic development projects.

Expedited permitting and 24-hour inspection response time are two examples of high-value services to developers for whom time equals money. Developing capability and a reputation around efficient, responsive service will create a “virtuous circle” that both changes any preconceived notions about Maple Valley not welcoming new development (based on stories from the past) and encourages new businesses and developers to consider the city.

Other ways that the city can incent development include:

- Deferring permitting fees until the developer lands a tenant.
- Dedicating an ombudsman to developers or end users for permitting and development services.
- Working with a developer to package and articulate state and federal statutory incentives for end users. Incentives frequently go unused because of the complexity of the programs. The city can play a service role to facilitate greater utilization of available incentives.

## **2. Position Summit Place now for longer-term potential.**

Summit Place (a.k.a. the “Donut Hole”) is a 154-acre property off Kent-Langley Road Southeast and Southeast 228<sup>th</sup> Street. It is currently home to nine holes of Elk Run Golf Course, wooded areas and the county’s 13-acre roads maintenance facility. The remainder of the site is vacant.

### *Key assets of the site*

The city and county have entered into an inter-local agreement that allows the city to control development of the site while enabling continued operation of the county's roads maintenance facility until the county is able to relocate it.

The Tahoma School District is in the planning phases to build the new Tahoma High School on 35 acres of the Summit Place property. The new school will be a significant asset for Maple Valley. The site is planned to be a Regional Learning Center – a multi-use campus that also will provide community access for learning and training to compliment the new high school campus. The high school is scheduled to open in September 2017. Apart from the 35-acre Regional Learning Center, over 100 acres will remain available for development on the site.

Many partners are involved in the development of the Regional Learning Center, including the Tahoma School District, Green River Community College, CAMPS and area companies and workforce partners. These partnerships reflect the innovative nature of the Regional Learning Center that will help feed a workforce pipeline that can supply highly skilled workers to companies in Maple Valley and the region.

### *Recommended approach*

Previous appraisals of the site by the county and developers notwithstanding, the IEDC team believes there is potential to develop and attract businesses with high-quality jobs at the site, especially those that can have a synergistic relationship with the educational resources at the learning center. Students can receive hands-on education at the businesses, while businesses can benefit from a pipeline of new workers and also have a facility for training their workers nearby.

#### *a. Rebrand the site.*

The IEDC team recommends that the city rebrand the site (which could be as simple as renaming it). The name "Summit Place" refers to a former proposed residential development at the site, a vision from the past, not the future. Furthermore, the name "Donut Hole" does not present a vision of the site's future potential, but rather its configuration in terms of local jurisdictions. The new name should reflect the visionary spirit of the Regional Learning Center and reflect the synergy of education, workforce and industry that will be a unique regional asset.

Branding suggestions from the IEDC team include "Puget Sound Technology Center" or "Puget Sound Skills Center" to elevate its prominence in the region.

#### *b. Capitalize on the "Regional Learning Center" concept.*

Maple Valley has the potential to be widely and uniquely known as home to a novel multi-institutional, public-private training, educational and industrial center in the region. The city should realize and take advantage of the potential economic development benefits presented by such a unique opportunity.

Major companies already are involved in Maple Valley by virtue of their engagement with the Tahoma School District in developing curricula and training programs for the center. These and other companies are potential employers for vacant sites that will be developed in Maple Valley, including Summit Place itself. In its communication with prospective developers and businesses for current vacant sites, the city should aggressively promote the opportunities to be a partner in development of the Regional Learning Center to take advantage of the workforce and training opportunities it presents.

*c. Partner with educational, workforce and industry to maximize the potential of the programming and land use at the RLC.*

School district representatives, in meeting with the IEDC team, noted that the city had been an important partner in helping pass the bond initiative for construction of the school. To the extent possible, the city should also be a partner at the table when stakeholders relevant to workforce, industry and education discuss goals for the Regional Learning Center, in order to assure alignment with local economic development goals.

Through its “visioning project” for a multiple-use facility at the Regional Learning Center, the Tahoma School District is building important relationships with workforce and industry partners, including Green River Community College, Renton Technical College, the Center for Advanced Manufacturing (CAMPS) and private businesses. These same stakeholders are important for economic development projects the city is undertaking and the city should be an active participant.

*d. Zone for maximum economic development benefit.*

As noted above in the discussion of the North End-Phase One site, the remaining property at Summit Place (apart from the RLC) should be zoned to allow for uses consistent with an employment center for the city. The employment center should be oriented toward technology, light industrial and office campus uses that would be complementary to the training and education facilities at the RLC and aligned with the city’s goals to secure family-wage jobs. Any retail or local services permitted at the site ideally should serve the site only, not a broader market.

### **Partner Spotlight: King County Government**

King County and the city of Maple Valley are partners on the joint planning of the Summit Place property following an interlocal agreement that allows the city to control its development. Under the agreement, the county will continue road maintenance and continue to operate its gravel mine and other current facilities and until the property is sold. To date, 35 acres of the property has been sold to the Tahoma School District. The city can undertake comprehensive planning for the site, although the county must be informed of any proposal to change the land use or zoning on the property. This allows the county to provide input regarding impacts to its current operations on the property.

The city should take advantage of the county's resources, including its economic development expertise and its knowledge of the property as a result of its long ownership and management of Summit Place. The county can not only be a willing but a helpful partner in the process of engaging developers through an RFP process and other methods of communication.

### **3. Preserve the Legacy Site for a future centerpiece project for the community.**

The Legacy site is a 50-acre parcel owned by the city, located on Maple Valley Highway across from the Rock Creek Elementary School complex. It is located near the Lake Wilderness Lodge and golf course.

Of the city's three major vacant parcels, the IEDC team sees the Legacy site as the one with the least potential for development as an employment center in the near term, and perhaps in the long term as well.

The Legacy site is considerably smaller than the other sites discussed above and therefore offers less potential for commercial development. In addition, 50 percent of the site is restricted for public use only. Further, the process to develop consensus around the plan for the site would present some delay to development due to the site's long and somewhat fractious community visioning history.

As well, the short-term exigencies of the "fiscal cliff" mean that the city will be in a better position for eventual development of the Legacy site after developing the site(s) discussed above that are more likely to have a bigger and quicker payoff.

Given these issues, and with its central location in the city, the IEDC team recommends that the site be considered for a municipal center and with accompanying recreational and general amenities uses. The IEDC team envisions that the city's development options for the site could include a sort of downtown center, sports and recreation facilities, a hotel, or other uses compatible with a municipal center. Such uses can be conceptualized to reflect the brand of the community.

By waiting until the city achieves some economic development successes and its fiscal position is stronger, options for development of the Legacy site could be more flexible, wide-ranging and ambitious. In other words, Maple Valley residents may be more likely to get a more satisfying product on the site in the long run.

### **Partner Spotlight: The State of Washington**

The state of Washington has a number of resources available to Maple Valley to aid in its economic development strategy and attraction of new businesses to vacant land. The city should actively seek the assistance of the state to avail itself of free resources in economic development before hiring outside consultants.

*Workforce Information:* The state's Employment Security Department can help with data through various workforce analyses of local employment dynamics for King County, Pierce County and neighboring jurisdictions. It can also respond to a customized query isolating particular zip codes and/or municipalities.

The department provides these laborshed analyses free of charge. They include analysis of labor force by age, education, industry, NAICS and SIC code. The department also can help the city utilize resources including the Census Bureau's "On the Map" tool that provides workforce data on employees in Maple Valley and other jurisdictions. (The city itself can go online and use the "On the Map" tool for more detailed economic and demographic information.)

*Business Attraction/ International Marketing:* While the state Department of Commerce assigns many duties related to business attraction to local Associate Development Organizations (for Maple Valley, the EDC-SKC), it does some direct business attraction activities itself, especially in the area of foreign investment. Through its activities with the U.S. Department of Commerce's SelectUSA initiative (to attract foreign direct investment to the U.S.), it represents the inventory of available, industrially zoned parcels to developers and companies representing foreign interests. Maple Valley should keep the department's Business Services Division informed of its vacant parcels in order to take advantage of opportunities that arise as a result of inquiries from foreign companies (especially given the scarcity of large vacant parcels in King County).

*Innovation Partnership Zone:* The Department of Commerce also operates an Innovation Partnership Zone program, though at this time, Maple Valley is not a strong candidate for the designation. The designation is generally not given to cities until partners are on board and/or innovation is in the pipeline or clearly set for takeoff. (Through the program, 18 communities are designated as "innovation partnership zones" for their achievement in economic development efforts that partner research, workforce training and private sector participation in furtherance of industry cluster development, technology development and jobs. New zones are designated every two years. The designation does not come with any financial award though it does confer status and help the community compete for other awards.)

### **C. Lay the groundwork for future economic development success.**

As the city is just getting started in economic development, the IEDC team has focused the first two sections of its recommendations (sections A and B) on building capacity and on steps it can take toward site development that should pay off in the near term. However, to lay the groundwork for the city's longer-term prosperity, the IEDC team recommends that the city continually build capacity around the two main drivers of long-term economic development success: workforce development and entrepreneurship. This section also briefly addresses preparing for redevelopment opportunities.

#### **1. Leverage opportunities and partnerships around workforce development.**

Largely due to the lack of large employers in Maple Valley and its history as a residential community, the city does not have strong existing relationships with workforce partners.

Yet workforce development is key to any economic development strategy. Access to skilled workers is a top priority for most employers that has become only more critical in recent years. The new Regional Learning Center presents an exciting opportunity for Maple Valley to partner with secondary and post-secondary educational institutions to become known as a community that values and fosters innovative learning opportunities.

The IEDC team encourages the city to explore ways it can partner with the Tahoma School District, local community colleges, area companies and workforce and industry groups to optimize preparation of the workforce for advancement into the local and regional economy in family-wage jobs in growth industries. Discussion of the city's opportunities with workforce partners are outlined below.

#### *Tahoma School District*

The door to greater workforce involvement on behalf of the city was discussed above in regard to the new Regional Learning Center, which will be a point of pride and an asset that will serve to make the city more attractive to both residents and employers.

Local K–12 schools are increasingly important to a successful workforce development pipeline. Maple Valley is fortunate that it is served by an excellent school system, but looking beyond past success, it is even more fortunate that the Tahoma School District is a nimble organization with innovative, forward-thinking leaders. It aims, with the new high school, to help students be “future ready” for STEM (science, technology, engineering and math) and other fields that require four-year degrees, as well as to provide training in skilled fields for students who are not on a four-year track. The district's grant from the Workforce Development Center is helping it develop readiness skills for careers after graduation.

The city (through the city council, staff, or Economic Development Committee involvement) should offer its involvement and support to the Tahoma School District to align the planning and programming of the Regional Education Center with the workforce needs of the regional business community. For example, the school district is working with Boeing to incorporate the company's material into the curricula for the high school. As the Regional Learning Center is

developed, now is an important time to be listening and participating in the conversation that includes local companies, educators and associations. The city's BRE program will be a useful avenue for documenting employers' workforce skill needs.

As another example, the school district's high school robotics program is one of the top in the state, presenting an attractive opportunity for companies who may want to work with the school system to provide learning opportunities for students, perhaps locating nearby to do so. In turn, these companies would benefit from the training facilities and worker pipeline.

#### *Post-secondary education institutions*

During meetings with the IEDC team, other organizations mentioned as potential partners in the Regional Education Center include Green River Community College (GRCC), Renton Technical College and possibly the University of Washington and Washington State University. The eventual location of a Small Business Development Center office at the regional education center by GRCC was mentioned as a long-term vision. The city of Maple Valley should explore opportunities to support the involvement of these organizations in the regional employment center.

GRCC appears to be a particularly promising partner for the city. It offers professional technical classes and has the ability to offer college-level information technology classes in areas such as application development and secured networking. These offerings have the potential to be of significant value to students at the Regional Education Center. Further discussion of GRCC as a partner is included in the section below on entrepreneurship.

#### *The Workforce Development Council of Seattle-King County*

The IEDC team believes the city would benefit from increased engagement with the primary local workforce partner, the Workforce Development Council of Seattle-King County (WDC).

The WDC holds frequently works with the Economic Development Council of Seattle and King County to conduct talent pipeline studies and industry workforce need studies. While the WDC's primary client is the individual job-seeker, it holds regular panels convening companies from various industries to determine their needs and then works with educational institutions to develop a curriculum and training program to meet them. As Maple Valley looks to develop employment centers, the WDC's industry research will be particularly valuable. Much of this information is available on its website, and WDC also works directly with communities to help them get information they need.

The WDC is already involved with the Tahoma School District. The Tahoma School District is one of 10 school districts in King County that received a grant under the WDC's "Careers Plus Contract." The one-year, \$32,000 grant commenced in September 2013 and is for the purpose of helping the school district develop curriculum and programs to help students who are destined for a four-year college education, as well as to help those who are not identify and achieve a career path beyond high school.

## **2. Foster small business development and entrepreneurship opportunities.**

Entrepreneurship has come to the fore as a key economic development strategy in recent years. As the pipeline for business recruitment prospects has shrunk and globalization affects many existing employers, communities have realized that homegrown businesses are the ones most likely to stay put and grow.

The IEDC team encourages the city, over the long term, to seek to grow, attract and support a portfolio of small to medium-sized employers to mitigate risk to the community. In other words, an economy that has 20 businesses of 20 employees each is likely to be healthier in the long run than a community that has one business that employs 400.

In meetings with business and educational stakeholders, it emerged that Maple Valley appears to have a high degree of entrepreneurship in comparison to neighboring communities. This is a special asset for the community that should be nurtured. The city should build upon existing support for business development and seek to add additional resources in the future dedicated to entrepreneurship and business incubation.

However, it is important to stress that entrepreneurship is a long-term strategy. One reason it traditionally has received short shrift in economic development strategies is that its payoff is often well beyond that of local election cycles. Given the current limited capacity of the city as it begins its focus on economic development, the team recommends that the city begin with small steps to build capacity to support entrepreneurs and startup businesses with an eye to ramping up these efforts over the longer term.

### *Existing entrepreneurship initiatives and partners*

The primary organizations providing assistance to small businesses and entrepreneurs in Maple Valley are the Maple Valley-Black Diamond Chamber of Commerce and the Green River Community College Small Business Assistance Center (SBAC).

The chamber does this primarily through the rental of office suites at its Business Development Center and through linking businesses with legal, land use, finance and business development experts. The chamber also arranges for a consultant from the Green River SBAC to provide businesses with technical assistance to develop business plans and grow to become independent or more thriving entities. The SBAC offers counseling sessions, assessment and resource referrals.

### *Potential roles for the city*

The city of Maple Valley should support the efforts of the Green River Community College SBAC, now and as the relationship potentially grows. According to the chamber, the city of Maple Valley currently does not contribute to the funding of the SBAC, while other neighboring municipalities do.

Down the road, Green River Community College has expressed interest in housing a small business development center at the Regional Learning Center at Summit Place. The IEDC team recommends the city work with the Tahoma School District and Green River Community College



to make this project a reality. During interviews, the team also heard discussion of potentially developing an incubator at the regional education center site. Incubators are an excellent tool for developing new businesses, but require robust support services and a strong pipeline of potential clients. If a feasibility study eventually indicates that an incubator could succeed in Maple Valley, the team encourages the city to support such an effort.

The city may also have a role in supporting efforts to incorporate entrepreneurship into the K-16 educational system. This is already an initiative of Green River Community College, which is currently developing a new degree program around entrepreneurship. The inclusion of entrepreneurship into the curriculum and culture at the Regional Learning Center, paired with the future development of a small business development center and incubator, would be key steps in rebranding Maple Valley as a place that caters to and develops entrepreneurship.

Another entrepreneurship support program that the city could consider implementing in the long run, with partners, is economic gardening. Economic gardening is a “grow from within” strategy that targets existing growth companies and offers them critical strategic information customized to their needs. This information can be key to propelling the company to its next phase of growth.

Economic gardening is not about connecting entrepreneurs with support institutions or helping them with their operations, workforce development or tax credits. It is about leveraging research using sophisticated business intelligence tools and databases that growth companies either aren’t aware of or cannot afford. Research specialists typically assist in four key areas: strategic market research, geographic information systems, search engine optimization and social media marketing. More information about economic gardening can be found at the website of the Edward Lowe Foundation ([edwardlowe.org](http://edwardlowe.org)), which hosts the National Center for Economic Gardening.

In sum, there is a variety of ways the city can get involved with partners to support entrepreneurship in Maple Valley.

### **3. Plan for redevelopment potential.**

Though it may be some time before redevelopment is a viable or attractive option for selected commercial areas in Maple Valley, optimizing the potential for redevelopment sooner, rather than later, is an important facet of the city’s economic development strategy.

#### *a. Zone for higher density in selected areas.*

Particularly around the Four Corners area, zoning for higher density would allow buildings that currently face height restrictions to eventually build up, increasing options for mixed-use commercial/office and residential uses. The current 35-foot height limitation on commercially zoned buildings (with 45-foot allowances in some cases) does not facilitate the development of multi-use buildings. Raising the height limit to at least 55 feet (to allow for five-story developments) would allow for a mix of office and/or retail with residential units constructed on separate levels.

Additionally, the IEDC team understands that there some underutilized and vacant property exists in other parts of the city, including the northwest quadrant of the Four Corners Area. The city should continue investigating how to optimize development possibilities for economic development in these areas.

- b. Support infrastructure projects that benefit existing commercial districts and vacant parcels.*

While understanding the reality of limited dollars for infrastructure, the IEDC team recommends that the city prioritize projects that support imminent economic development opportunities (e.g., the North End). One such project is to create a second northbound lane on 169 between Witte Road and 240<sup>th</sup> Street. This adds to the second southbound lane on 169 built last year.

Although mitigation agreements with a future developer could pave the way for some cost-sharing for future road improvement (as YarrowBay had negotiated with the city of Black Diamond in conjunction with a proposed 6,000 residential unit development), infrastructure investment by the city in advance of a developer agreement can help market the site and produce otherwise needed traffic improvements in the meantime.

Traffic improvements in the Four Corners Area also would further efforts to develop the district into a vibrant mixed-use, higher density area in the future.

## **IV. Case Studies**

This section includes best practices and mini-cases in two subject areas – making the case for economic development and business retention and expansion – and two in-depth case studies addressing a business park and a regional education and employment center.

- Making the Case for Economic Development: Best Practices and Case Studies
- Business Retention and Expansion Programs: Best Practices and Case Studies
- Regional Employment Center: Rivulon, Gilbert, Arizona
- Regional Education Center/ Employment Center – Kentucky Transpark, Bowling Green, Kentucky

## A. Making the Case for Economic Development: Best Practices and Case Studies

A successful economic development strategy requires a comprehensive program of communication and education. Economic development professionals increasingly must engage their communities to make the case for economic development initiatives as a result of legislation requiring public participation, citizen demands, and changing values about the importance of public involvement.

The following framework was adopted from David Wilcox, as found in an article by Ruth Ann Bramson. (The framework follows the seminal work conducted by Sherry Arnstein, who created “A Ladder of Citizen Participation” in 1969.)

### *Levels of Public Involvement*<sup>7</sup>

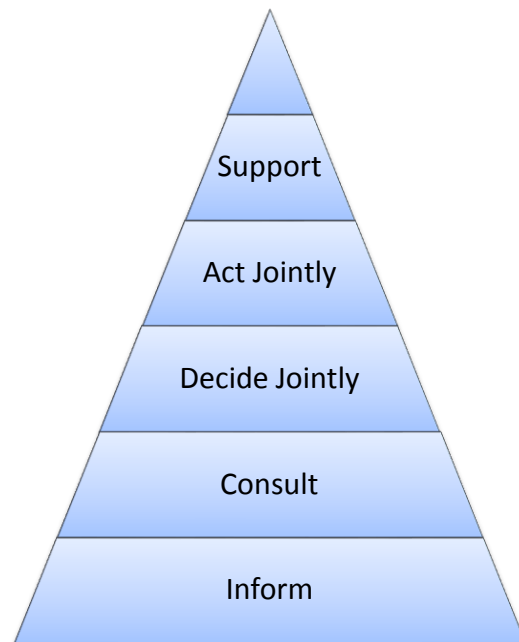
In the model, five levels of public involvement range from providing the community with a foundation of information about economic development to promoting support for projects in the community when they are underway.

The first (bottom) level involves *informing the public* through mechanisms including brochures, presentations and the media.

The second level involves *consulting with the public* by inviting comments and feedback on proposals.

The third level – *shared decision making* – calls for the public and officials to generate options together through group dialogues and community problem solving.

The fourth level, *taking action jointly*, involves more permanent partnerships including formal agreements. Level five (top level) involves promoting *support* during implementation.



<sup>7</sup> Arnstein, Sherry R. (1969) A Ladder of Citizen Participation. *JAIP*, Vol. 35, July 1969, 216-224. Bramson, Ruth Ann. Involving the public in economic development. *Economic Development Journal*, Summer 2005, 24-31. Wilcox, David. (1994). *The Guide to Effective Participation*, the Joseph Roundtree Foundation.

The following chart<sup>8</sup> provides more details associated with each level of the model. The chart provides information about approaches associated with each level including: the typical processes and methods involved, the stance of economic development officials, issues facing economic development officials and requirements to start.

***Public Involvement Levels and Approaches: In Summary***

APPROACH	LEVEL				
	Inform	Consult	Decide Jointly	Act Jointly	Support
Typical Process	Presentation & promotion	Communication and Feedback	Consensus Building	Partnership Building	Community Development
Typical Methods	Brochures, press releases, websites, newsletters, public presentations	Surveys, polls, meetings	Workshops, deliberative dialogue sessions, community visioning	Partnerships, coalitions, collaborative agreements	Technical support, funding
Stance of Economic Development Officials	"Here's what we're going to do."	"Here are our options- what do you think?"	"Let's develop options and decide actions together."	"We want to carry out joint decisions together."	"We can help you achieve what you want within these guidelines."
Issues for Economic Development Officials	Will people accept no consultation?	Are the options realistic? Are there other options?	Do we have similar ways of deciding? Do we know and trust each other?	Can we work together? Where will the balance of control be?	Will our goals be met as well as those of other interests?
Needed to Start	Clearly defined message. Identified audience, common language.	Realistic options, ability to deal with responses.	Readiness to accept new ideas and implement decisions.	Willingness to learn new ways of working.	Commitment to continued support.

## Case Studies

### 1. Chatham County, North Carolina<sup>9</sup>

*Selected best practices: Community hearings, visiting sister-committees*

Chatham County, North Carolina (population 66,000) lies on the urban fringe or "outer ring" of the core metro counties of Wake, Orange, and Durham that make up the Raleigh-Durham-Chapel Hill/Research Triangle Area. Chatham County is largely a "bedroom" community, with more than 55 percent of workers commuting outside the county to work, according to the 2000 Census.

Faced with threat of revenue shortages, the county's economic development goals included increasing the non-residential tax base and providing local employment centers for residents. The county recognized that it needed an effective strategy to communicate its economic

<sup>8</sup> Bramson, Ruth Ann. (2005). Involving the public in economic development. *Economic Development Journal*, Summer 2005, 27.

<sup>9</sup> Jolley, G. Jason, Lane, E. Bren and Brun, Lukas. (2011). Economic Development Planning In Bedroom Communities: A Case Study of Chatham County, North Carolina, *Journal of Rural and Community Development* 6, 1 (2011) 113–128.

development plans to residents: change would inevitably involve tradeoffs for the community and result in some resistance.

The county realized the importance of engaging the community not just through legally required public hearings but through forums at the beginning, middle, and final stages of the project. As a study of the county's effort indicates, formal public hearings tend to be dominated by higher-income members of the community with economic interests, and the structure of the hearings also limits opportunities for public dialogue.

In order to provide a more deliberative process for soliciting input, the county held meetings not just at government offices but at alternate venues where residents might feel more comfortable. Venues included a local high school, two secondary schools, the local community college and a senior center. Community leaders sometimes were the principal facilitators at these meetings. Along with discussion, the case for economic development strategies was made by introducing empirical data about economic benefits to residents at these forums.

The county also found it beneficial to learn from and benchmark its experience against that of other bedroom communities. A team of citizen leaders visited three metro regions that had similarities to the Research Triangle: Charlottesville, Va., Austin, Texas, and Athens, Ga. The team met with economic developers, planners, and policymakers in these sister-bedroom communities to learn their stories of success and failure.

## **2. Ord, Nebraska<sup>1011</sup>**

*Selected best practices: Economic development organizational capacity, community meetings*

Ord, Nebraska's (population 2,100) economic development program was driven by a need to increase economic development activity in a county with a dwindling population. The success of their strategy draws largely from two components related to economic development capacity: 1) establishing an economic development entity and 2) engaging the community.

In 2001, the City of Ord and Valley County, in partnership with the chamber of commerce through an interlocal agreement, committed to work together to build an economic development program. The partnership institutionalized collaboration among the entities for economic development and created a single point of contact for businesses and prospects.

Particularly for small town development, the city found engagement with residents was key for economic development initiatives – even at the individual level. The city placed a premium on its willingness and ability to build community consensus around strategy.

They attributed much of their momentum for economic development from one-on-one conversations that professional staff or volunteers conducted with individual residents. One local attorney said, "You cannot underestimate the importance of anticipating your opposition

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<sup>10</sup> Morgan, Jonathan Q. and Lambe, William. (2009). Find a way or make one: lessons learned from case studies of small town development. *Economic Development Journal*, Summer 2009, 8:3, 5-13.

<sup>11</sup> Lambe, Will. (2008). *Small Towns, Big Ideas: Case Studies in Small Town Community Economic Development*. UNC School of Government and N.C. Rural Economic Development Center, 2008. Available at [www.cednc.unc.edu/stbi](http://www.cednc.unc.edu/stbi).

and bringing them into the discussion at the outset.” The city attributes dialogue to preventing organized opposition.

### **3. Davidson, North Carolina<sup>12</sup>**

#### *Selected best practices: Overall community engagement*

Davidson, North Carolina (population 7,000) is located 20 miles from the urban center of Charlotte. While community residents had expressed a preference for maintaining Davidson’s “small town” character, the tax revenues primarily from a residential base, were placing increasing pressure on local government services. Economic diversity was a priority. The smart growth strategy that the city pursued involved the community in policy decisions and allowed development to take place “on the town’s own terms.”

In the 1990s, the city engaged community leaders in developing a zoning ordinance that would reflect priorities for managed growth, including preserving open space and requiring pedestrian, bicycle and street circulation plans for new developments. The town also required that commercial and residential project developers meet not only with town planning staff but invite every resident within a quarter mile of the proposed development to a meeting.

Equally important to community inclusion is strong political will and willingness to take risk on the part of the local government. In Davidson, this often meant standing up for the community’s principles to manage its growth on its own terms. The community also found value in population turnover. New residents provided new energy and new ideas as did economic development staff – complementing the long-standing ties and institutional knowledge of those with a longer tenure in the community.

### **4. Farmville, North Carolina<sup>13</sup>**

#### *Selected best practices: Internal marketing, community events*

Farmville, North Carolina (population 4,300) is located 15 miles from Greenville, North Carolina. Formerly, the center of a tobacco industry that has lost its vitality, the town has been forced to diversify and expand its economy. It has utilized a strategic approach of industrial development, business retention and expansion, and organizational development that has helped it attract new businesses, increase wage levels and grow the population.

In order to coordinate its economic development efforts, Farmville found it necessary to develop a single point of contact for economic development. It created the Farmville Development Partnership (FDP) as an umbrella organization for three existing organizations – the Economic Development Council, Chamber of Commerce and the Downtown Partnership.

The city drew upon a strong tradition of volunteerism and community involvement among residents to assist its success. In 2004, Farmville was a finalist in the National Civic League’s All American City competition, which is based on criteria relating to civic engagement, community

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<sup>12</sup> Ibid.

<sup>13</sup> Ibid.

problem-solving and inclusive community leadership. It credits its success partially in its branding and internal marketing campaign.

Citizens were enlisted to create a brand identity for the town through a visioning exercise. The town has also found that “internal marketing,” or keeping residents informed about economic development, is key to maintaining support for growth strategies. The town and FDP utilize local and regional media to reach out to residents, distribute an annual report and sponsor local events and celebrations including an annual Christmas parade and Hometown Halloween. The town also welcomed newcomers with a “new residents picnic” each spring.



## B. Business Retention and Expansion Programs: Best Practices and Case Studies

A business retention and expansion (BRE) program is considered one of the most fundamental and essential components of an economic development strategy. The vast majority of new jobs and new revenue are created from existing businesses.

The University of Minnesota Extension and Ohio State University Extension developed the following framework. It reflects the structure of other models that emphasize starting with the creation of a BRE team and a business outreach program – usually through surveys and visitations to take measure of the needs of businesses.

### Steps for Creating a BRE Program<sup>14</sup>

In the model, the first (bottom) step is the *establishment of a BRE team* that coordinates outreach to businesses and develops BRE strategies. The team may consist of city officials,

economic development professionals, Chamber of Commerce employees and private businesses.

The second step is to *conduct BRE visitations* to local businesses and survey them about needs and concerns.

The third step is to *identify warning flags* – issues facing businesses that require targeted responses from the BRE team.

The fourth step is to offer *individual business assistance* including information on City regulations and resources, references and/or technical assistance related to legal, financial, advertising and other technical assistance. Additionally, the model recommends that the BRE team make available market analysis data to help businesses make decisions about operations.

Finally, the BRE team should develop BRE strategies after reviewing the results of business communication and identifying issues that cut across the business communities and require strategic responses.



<sup>14</sup> Adapted from the University of Minnesota Extension and Ohio State University Extension <http://fyi.uwex.edu/downtown-market-analysis/putting-your-research-to-work/business-retentionexpansion/>

While conducting business visitations is the preferred way to measure of the needs of the business community, there are five primary ways in which an economic developer can conduct a business survey:

- 1) mail
- 2) in-person surveys administered by volunteers
- 3) in-person surveys administered by full-time economic development staff
- 4) combined mail and in-person surveys
- 5) email or web-based surveys

Additionally, as the following case studies highlight, there are a number of components that characterize successful BRE programs around the country. These may include:

- Community appreciation functions (annual events, “business weeks,” local shopping days, parades)
- Individual appreciation and recognition (attending ribbon-cutting ceremonies, awards)
- Establishing networking and educational events (quarterly industry dinner or lunch program, speakers bureau, seminars, workshops)
- Publishing a regular newsletter with updates on business events, City updates (i.e. signage, changes in regulations) and economic statistics.<sup>15</sup>

## Case Studies

### 1. Grenada County, Mississippi<sup>16</sup>

*Selected best practices: Helping businesses expand, business roundtables, business recognition, involvement in infrastructure needs*

In 2009, Grenada County (population 21,000) embarked on an initiative called “Opportunity First” that made existing businesses its top priority. The program employed a multi-faceted approach that included: 1) holding an annual existing business summit; 2) visiting the headquarters of several plants and businesses to determine their needs; 3) creating a tax savings assessment team; 4) starting a Manufacturers’ Roundtable and; 5) establishing a Bi-Annual Corporate Citizen of the Year Award.

The program employed a partnership that included economic development, educational, workforce and other partners. City and county government worked together with the Mississippi Development Authority, Holmes Community College, the WIN Job Center and other partners. The program was motivated by the need to revive and sustain an economy hit by the 2008 recession.

The program produced measurable results. From 2009 to 2012, the program spearheaded 14 business expansions, created more than 700 jobs, and attracted more than \$26 million in private

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<sup>15</sup> Joy, Earl R. (1996) Existing Industry Program: The Backbone of Economic Development, *Economic Development Review*, Summer 1996, 25-26.

<sup>16</sup> Grenada County Economic Development District. 2013 IEDC Excellence In Economic Development Awards Entry Form. Available at <http://www.iedconline.org/web-pages/inside-iedc/previous-program-award-winners/>

investments that were leveraged through \$2.2 million in economic development grants from various local, state and federal programs. The BRE program also worked to save the local Grenada Railway line that was an important facilitator of economic activity for local businesses. The county also gained national attention for its economic gardening program, designed to spur innovation and new business growth. It was recognized as one of the few rural communities with an active economic gardening program in the United States.

## **2. Thornton, Colorado<sup>17</sup>**

*Selected best practices: Business visitations, welcome letters, business appreciation*

The City of Thornton, Colorado (population 124,000), established its BRE program in the 1980s in order to improve communication between the city and the business community, to help facilitate business activities and to help increase sales tax revenue.

Prior to 1987, business contact with City Hall was mostly regarding city regulations and code enforcement. The Business Outreach Program was created as something to help “break the ice and open a healthy dialogue to help jointly solve business problems.” During 1987 and 1988, the city conducted nearly 400 personal business visitations to identify problems and concerns.

Other components of the BRE program included: business related articles in the community newsletter, an Annual Thornton Business Appreciation Breakfast, welcome letters to new businesses and technical assistance on issues including codes, contracts and promotion. In a related effort to support businesses and increase sales tax revenue, the city engaged in a campaign to encourage patronage of local businesses, including mailing out coupon magazines, printing articles about newly opened business and holding a three-day business promotion event called “Olde Tyme Thornton Days.”

## **3. Taylor, Texas<sup>18</sup>**

*Selected best practices: Partnership, expansion leads, flexibility and follow-up*

The City of Taylor, Texas (population 16,000) established its “Portfolio Taylor” BRE in 2008 as an approach to retain and assist the expansion of employers. The program is a partnership of the Taylor Economic Development Corporation (EDC), the City of Taylor and the Taylor Chamber of Commerce. The EDC spearheaded the initiative. The program also drew on regional advisors, including representatives from the Austin Chamber of Commerce. BRE visitation teams included EDC and city staff, as well as representatives from the Texas Workforce Commission, utility companies and education and government leaders.

BRE team members conducted 255 meetings with primary employers from 59 companies from 2008 to 2011 and identified 17 expansion leads. The program assisted a dozen companies on

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<sup>17</sup> Bata, David P. (1997). “The Business Retention Program of Thornton, Colorado.” *Economic Development Review*. Spring 1997.

<sup>18</sup> Taylor Economic Development Corporation. 2012 IEDC Excellence in Economic Development Awards Entry Form. Available at <http://www.iedconline.org/web-pages/inside-iedc/previous-program-award-winners/>

expansion projects creating 170 new jobs and \$20 million in new investments. During this period, the chamber of commerce hosted more than 35 networking events, such as business forums, and recognized more than 50 local businesses through ribbon cuttings and awards. The BRE team utilized information gained from employers to initiate special projects and permitting changes to help improve the business climate and address needs of local employers.

The EDC published the findings in an 18-page BRE Report that summarizes surveys and feedback from three-fourths of local industry. The report has since been shared with more than 100 business and community leaders to celebrate progress and serve as a guide for future planning efforts to improve Taylor's business climate. Program leaders identify the keys to success for their program as: 1) flexibility and responsiveness; 2) prompt follow-up with businesses to maintain credibility; 3) valuing customers and; 4) a wide-reaching partnership with business and community leaders.

#### **4. Coon Rapids, Minnesota<sup>19, 20</sup>**

*Selected best practices: Public-private partnership, community volunteers and follow-up*

The BRE program in Coon Rapids, Minnesota (population 61,000, a northern suburb of Minneapolis) is motivated by the theme of "community engagement." It is a partnership of the city and the local business community, along with the University of Minnesota Extension.

While the city manages the logistics of the program, the business community and non-profit leaders implement key pieces of the program through a task force led by the president of a local plastic injection molding company. The task force refined a survey to meet the needs of Coon Rapids, identified key businesses for interviews, recruited members from the community to do the business visitations, reviewed warning flags and performed follow-up on issues that emerged during the visits.

Follow-up has been identified as crucial to establishing credibility with businesses. The task force was able to leverage limited resources by training members of the community to conduct business visitations to local manufacturing businesses and major employers. From the results of the business visitation surveys, the community identified three overarching strategies to respond to business needs.

#### **5. Henderson, Nevada<sup>21</sup>**

*Selected best practices: BRE visitation program*

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<sup>19</sup> Bodley, Peter. (October 24, 2012) Retaining and growing business. *ABC Newspapers*. Available at <http://abcnewspapers.com/2012/10/24/retaining-and-growing-business/>

<sup>20</sup> Tuck, Brigid and Michael Darger, University of Minnesota Extension. (2013). Coon Rapids Business Retention and expansion Strategies Program Summary Report. April 2013. Available at <http://www.extension.umn.edu/community/business-retention/reports-surveys/docs/Coon%20Rapids%20Summary%20Report.pdf>

<sup>21</sup> City of Henderson. "Economic Development." [http://www.cityofhenderson.com/economic\\_development/local\\_businesses.php](http://www.cityofhenderson.com/economic_development/local_businesses.php)

Henderson, Nevada's (population 266,000) "Business One-on-One Program" features a program of weekly visits to Henderson businesses. The city runs the program in partnership with the local chamber of commerce. A team of three people conducts these 1-hour visits: a city economic development professional; the mayor or a city council member, and a private-sector volunteer from the chamber of commerce. Elected officials are asked to be available one hour per month for these visits. A pool of 20 individuals on a chamber committee participates in the visits. Four basic, open-ended questions are asked of each business:

- Tell us about yourself and your business.
- Tell us about the city – good/bad relationship.
- Tell us if you are growing (because we may be able to help with incentives, etc.), the same or decreasing (be honest because we may have resources to help).
- Is there anything you would like to ask us, the mayor or the city council?

*Other categories of questions that might be included on a survey include:*

- **Firm background** – information on suppliers, customers, annual sales or revenues, expectations for growth, product lines and employment
- **Business climate** – advantages and disadvantages of location in the city, overall rating of business climate on a scale
- **Labor and training needs** – number of full-time and part-time employees, skill levels and wage rates, residential location of employees, turnover and absentee rate, skill requirements over the next five years, current training resources and needs, workforce problems
- **Marketing and trade** – location of market for product (city, county, domestic, foreign), distribution and exporting needs
- **Financing needs** – difficulty in securing capital, sources of capital and credit
- **Regulatory issues** – problems with regulatory environment
- **Barriers to growth** – identification of barriers (i.e., lack of land, workforce, labor costs, regulation)
- **Satisfaction with public services and facilities** – schools, parks, police and fire, utilities
- **Past utilization and satisfaction with local business assistance programs**

### **C. Regional Employment Center: Rivulon, Gilbert, Arizona**

Gilbert, Arizona, is an outer-ring community located in metropolitan Phoenix that realized it needed additional commercial office space in order to attract the end users that would further the City's economic development goals.

In 2009, the city envisioned a large, mixed-use complex that could reshape and restart the town's slow-developing central business corridor. The project would also enable Gilbert to have an employment center, so that more of the residents who commuted outside the city for work could stay within the community.

The city entered into an agreement with Nationwide Realty Investors to develop 252 acres of land as a master-planned, mixed-use community known as "Rivulon," featuring office, restaurants, retail, residential and hotel uses. The development will include 3.1 million square feet of commercial office space, 500,000 square feet of retail space, 250 hotel rooms and one luxury apartment community. The development is at the intersection of Gilbert Road and AZ 202, the "Loop 202-Santan Freeway."

#### **1. Marketing site assets /attracting the developer**

The town marketed its site based on its location along the major road of Loop 202, the education levels of the areas workforce and the long-term potential of the community of Gilbert, among other assets. The town has a population of 171,000 residents and as of mid-2013 was adding 1,000 new residents each month. The site is also 12 miles from Phoenix Sky Harbor International Airport. The city has a reputation of working hard to preserve a small-town character while also investing in the high-tech industry and embarking on economic development strategies to fuel growth.

In order to help move the project forward, the developer asked the city to pay for improvements to roadways adjacent to and within the complex. The city structured a deal whereby it would use sales tax revenue generated by the project to reimburse the developer for road improvements. The reimbursement would take place after the completion of 120,000 square feet of office space and at least 250,000 square feet of pad-ready sites. The maximum payout under the incentive deal would be \$35 million.

#### **2. Mixed-use development**

The initial phase of the development, planned to begin in 2013, will include 120,000 square feet of four-story, Class A commercial office building and a 45,000-square-foot L.A. Fitness facility. The assets of this phase include superior visibility and highway access; signage opportunities; a campus-like corporate environment; a parking ratio of 5:1000; and location within a the larger, master-planned, mixed-use development in conjunction with proximity to restaurants and amenities in Chandler and Gilbert. The campus-like environment for the site will also feature a number of winding walking trails and natural gathering spaces that connect the different buildings and uses on the site.

The first phase of construction will include infrastructure improvement to widen Gilbert Road. The first vertical construction is likely to be the erection of L.A. Fitness. Rivulon's first office building is expected to open in the fall of 2014.

The deal is expected to effectively double the office space in Gilbert, according to the developer.

### 3. Lessons learned

- **Mixed zoning:** According to Gilbert's economic development director Dan Henderson, the project is a "mixed-zoning" project. This allows for the developer to have the flexibility needed for various uses on the site. Commercial, retail and hotel uses are currently part of the project. The city currently does not foresee a residential component, but that could change over time.
- **Structuring the RFP:** In order align the project with the city's economic development strategy, economic development principles should be written into the RFP. This is the time to indicate how the proposed development for the project will meet and conform to economic development goals. The city crafted a developer agreement that included its economic development goals in the recital of the agreement – including ensuring that the development would produce an employment center that brings "family-wage" jobs and generating revenue from commercial and industrial uses to the city.
- **Finding the right developer:** In its developer, the city found a reliable partner with a strong brand in development and a vision for the property that is long-term and flexible. The strong brand of the developer enhances the ability of the park to attract strong national and international companies.

#### **D. Regional Education/Employment Center/ Employment Center: Kentucky Transpark, Bowling Green, Kentucky**

Bowling Green, Kentucky, is home to Kentucky Transpark, a regional technology center/business park that is co-located with educational institutions for high school and community college students. The award-winning business park development showcases the effective synergy that occurs when commercial and industrial businesses coexist with multi-level learning institutions on the same site for the benefit of businesses and students alike.

The Kentucky Transpark is a state-of-the-art business and industrial park of over 900 acres that provides space for heavy and light manufacturing, commercial and retail establishments that employ more than 1,000 people. The groundbreaking for the park was on August 23, 2003. From the onset, it was envisioned that both industry and educational institutions would locate on the site.

##### **1. The park as a regional employment center**

Kentucky Transpark is home to a diverse portfolio of large and small businesses in a range of industries, and also has speculative space and vacant lots for attraction of additional tenants. Current companies include: American Howa Kentucky (an 84,000-square-foot facility on 224 acres, with 61 jobs); Bowling Green Metalforming (a 900,000-square-foot facility with 1,100 jobs and capital investment of over \$200 million); Cannon Automotive Solutions (employing 100 people on 14 acres); and, Shiloh Industries, a manufacturer that employs 90 people.

Kentucky Transpark's assets include access to a strong transportation network with nearby interstates and an on-site CSX rail mainline, fiber optic connectivity, and a low cost of doing business. Transpark has paid special attention to concerns related to environmental protection, exceeding federal environmental standards. It has restrictive covenants and binding elements to insure that new landscape, lighting, signage and other features exceed local requirements. Additionally, Transpark has been planned to provide a campus-like setting that has both biking and walking trails, as well as green space and water features throughout the complex.

The business park publicizes its centralized training and "intellectual infrastructure." It boasts of a highly motivated and well-educated workforce and markets its on-site technical, education and research resources as a resource for businesses.

##### **2. The park as a regional education center**

- *High School CTE Programs*

One of Kentucky Transpark's goals is to train the next generation of workers. Its multi-institutional setting includes a 44,430-square-foot regional high school center known as the Warren County Schools Area Technology Center (ATC), which opened in 2006.

ATC enrolls students from various high schools in the area in five technical programs: automotive technology, construction technology, health science, information technology and welding technology. The ATC also is working to raise private funds for two more programs



(machine tools and industrial maintenance) that were originally proposed and to develop another in robotics. There are 53 ATCs in Kentucky funded by the Department of Education, but most are located on high school campuses, not onsite at industrial parks like Transpark.

Currently, more than 300 high school students from Warren County, the city of Bowling Green and neighboring Edmundson County come for three hours a day to study in these programs. The courses are “dual degree,” providing students with community college credit during their senior year of high school at a reduced cost.

Goals of the program include bringing more students in to tour ATC and the manufacturing processes at the park, enrolling more high school juniors in the program and helping students complete a full year of community college credit before they graduate from high school. The ATC also has been reaching into the junior high school system to students starting in the seventh grade to make them aware of opportunities on the “career track,” not just the college track.

The ATC helps meet a need to prepare Kentucky students – 78 percent of whom do not finish college – for the workforce. The average age for students entering technical college in Kentucky is 29. The goal of this program is to help students who are suited for a vocational or career/technical education program to get educated for this career path earlier.

The ATC programs align with the goals of a “7 habits” curriculum being initiated in high schools in Warren County. Following the principles set forth by Steven Covey, the school system has initiated a curriculum called “The Leader in Me” to help students with career preparedness. The K-12 program is considered a valuable economic development tool for the region. The Bowling Green Area Chamber of Commerce is spearheading the program with the goal of becoming the first in the nation to implement it in all area schools. The program focuses on career preparedness, including development of the soft skills and habits necessary to identify a career path and perform in school and the workplace.

- *Community college, education cooperative*

In 2003, plans were announced for the location of a local community college campus at the park to take advantage of synergies with industry. The plans for the college resulted from a deal to bring the Bowling Green Metalforming company to the park; the company had expressed an interest in a community college partnership and benefits (such as apprenticeship programs) it could bring.

The Southcentral Kentucky Community and Technical College (formerly known as Bowling Green Technical College and hereafter referred to as the “Tech College”) has six campuses, including its Transpark campus at which programs are offered in computerized manufacturing and machining and engineering and electronics technology. These programs provide training that workers can then apply to the metal forming, automotive and manufacturing companies on the site.

For several years (until the recession in 2007), the school ran full-time apprenticeship programs that have been suspended temporarily. Companies at the park and local industry helped inform the curriculum for the community colleges, as well as ATC. In addition to apprenticeship programs, efforts are now focusing on certificate programs that give students applicable skills to work at companies at the park and regional companies in industrial maintenance (which

includes the robotics program) and other fields. Additionally, the college runs customized training for employees at the park on evenings and weekends to update their skills in robotics, machinery and other areas.

Additionally, the Green River Regional Education Cooperative, which oversees administrative functions and training services, is located in a 14,000-square-foot office space. The cooperative pools the resources of 20 school districts to support leadership for high-quality teaching and learning; it serves the needs of students and industry to design education that prepares the next generation for the CTE or career track and not just the college track.

- *Industry-workforce-education partnerships*

The companies at the park help shape the curriculum at the ATC and Tech College through steering committees that consult with the technical education programs to ensure that they align with current and future needs of industry. The ATC and Tech College also work closely with the Bowling Green Chamber of Commerce.

The existing deficit of manufacturing workers in Warren County is expected to grow to 9,000 by 2020. Among other needs, companies at the park have expressed a desire to hire ATC and tech grads to fill openings for welders. There is anecdotal data about ATC and community college graduates going on to work at the Transpark after their coursework. The ATC and Tech College would like to see a more active workforce pipeline that graduates more students from educational institutions at the park into jobs at the park.

The state has been an active partner in fostering these collaborations through its Industry Partnership Grant Program. In 2013, the Kentucky Workforce Investment Board completed an analysis of targeted industries' workforce needs to develop a manufacturing education action plan train students to meet industry needs.

### 3. Lessons Learned

- **Leadership and capacity are key:** The park began in 2003 with a strong vision, but having strong leadership and capacity to implement that vision, and better coordinate the educational institutions with industry, has been one of the persistent challenges.
- **Partnerships/alignment with industry:** Technical programs for students must align with the needs of companies at the park. This requires collaboration among multiple entities – including the ATC, the two-year college and the four-year college Western Kentucky University in Bowling Green. Better collaboration can make the pipeline run more effectively.

For example, the ATC has offered programs in health care, informational technology and construction that have not been applicable to companies at the park, while others related to manufacturing have. Currently, companies at the park have the highest demand for students in the welding program. (Companies would also likely draw from a machine tool and industrial maintenance program but these two are currently not being offered at the ATC.) The goal is to offer programming to students that is in greater alignment with needs of industry at the park and in the region.

- **K-12 learning:** The community college has run robotics camps for high school students at the Transpark to expose them to manufacturing. Developing both awareness and skills related to manufacturing opportunities will help students find jobs in areas of demand in the local region.

There is also a desire to have more tours of the companies and more apprenticeships for high school juniors, seniors and college students to further maximize the unique opportunities presented by the co-location of educational institutions and industry.

- **Perception:** By reaching into the K-12 years, the ATC and community college, together with the school boards, hope to change perceptions about the attractiveness of manufacturing as a career. Educating students about the family wages offered in the profession and the high demand for employment can help build a pipeline that will reduce unemployment in the region and meet the skill shortages at area companies.

## V. Policy Recommendations

*This section offers a draft framework for the economic development section of Maple Valley's Comprehensive Plan Update. It is based on the implementation recommendations outlined above.*

### Economic Development Goals and Policies

**Goal 1.** *Develop and promote a culture oriented to economic development in city services and communicate that priority to residents and externally.*

- 1.1.** Educate and inform residents and businesses in Maple Valley regarding the benefits of economic development for the city through both formal and informal communication channels.
- 1.2.** Maximize economic development capacity by enhancing scope and strategic role of Economic Development Committee.
- 1.3.** Develop ongoing relationships with regional and state partners such as the Economic Development Council of Seattle-King County, the Puget Sound Regional Council, King County Government, the state of Washington, and other similar entities in positions to further Maple Valley's economic development interests.
- 1.4.** Establish an initial point of contact for economic development within the city as well as a staff team to respond to broader issues and assume specific projects.

**Goal 2.** *Utilize an approach to land use, transportation and infrastructure development that promotes the generation of family-wage jobs and diversifies the city's revenue base.*

- 2.1.** Employment-center development should be prioritized over residential uses and community amenities on large, undeveloped parcels, with the exception of the Legacy site.
- 2.2.** Prioritize development of vacant sites to optimize economic development outcomes in the near term.
- 2.3.** Utilize zoning of undeveloped sites to allow maximum flexibility for office campus, technology, and light / advanced manufacturing development and to limit retail and other uses not compatible with an employment center producing family-wage jobs.
- 2.4.** Employ the zoning code to maximize the economic development potential of existing commercial areas, e.g., by addressing building height and use designations.
- 2.5.** Prioritize infrastructure projects that are beneficial to sites proposed for office

campus, technology, and light / advanced manufacturing development.

- 2.6. Support infrastructure projects that are beneficial to existing commercial areas.
- 2.7. Pursue opportunities for mixed-use development and higher density development that are compatible with the city's character.

**Goal 3.** *Attract family-wage employers to the city in order to diversify the city's revenue base, provide employment opportunities for Maple Valley residents, and increase the city's daytime population.*

- 3.1 Gather and package detailed data related to specific sites, market analysis and workforce availability.
- 3.2 Build relationships within the regional development community.
- 3.3 Develop and release a request for proposals in order to secure a developer for the city's priority parcels for development.
- 3.4 Utilize service-based incentives to attract development.

**Goal 4.** *Develop a business retention and expansion program and support efforts that foster small business development and entrepreneurship.*

- 4.1 Support a portfolio of small to medium-sized employers to mitigate risk to community.
- 4.2 Work with the chamber of commerce to establish effective roles for business outreach efforts.
- 4.3 Establish a business retention and expansion program that encourages dialogue with existing non-retail and local service businesses in the city to. The program should aim to identify specific issues hindering the growth of both individual businesses and specific industries in order to help them succeed, expand and create jobs in the city.
- 4.4. Support business development initiatives of the chamber of commerce and Green River Community College Business Development Center and similar partners.
- 4.5. Make entrepreneurship a priority in current and future economic development policy.

**Goal 5.** *Build and promote existing and new relationships with workforce development organizations, training providers and educational institutions to strengthen the city's workforce pipeline and its reputation for skilled workers.*

- 5.1.** Participate in the planning and programming of the Regional Education Center.
- 5.2.** Support efforts of the Tahoma School District, Green River Community College and other workforce partners to work with industry to develop curricula related to industry skill needs, especially in STEM education.
- 5.3.** Use data collected on the city and regional workforce to identify other workforce opportunities related to economic development.

## **Appendix A. Economic Summary of the Community**

### ***Current Population***

The U.S. Census estimates Maple Valley's 2012 population at 24,171. The city estimates the trade area population at 65,000-94,000. The city has projected its build-out population as 24,500. Table 1 summarizes current population.

*Table 1: Population, Maple Valley, 2007-2012*<sup>22</sup>

<b>General Population</b>	<b>Maple Valley</b>	<b>King County</b>	<b>Washington</b>
Population, 2012	24,171	2,007,440	6,897,012
Population, 2010 (April 1)	22,684	1,931,246	6,724,543
Population change, April 1, 2010 to July, 1, 2012	6.6%	3.9%	2.6%
Population, 2000 (April 1)	14,209	1,737,034	5,894,121
Annual Population Growth Rate, 2000 to 2012	5.8%	1.3%	1.4%
Households, 2007-2011	7,593	790,070	2,602,568
Persons per household, 2007-2011	2.87	2.37	2.5

The city has a higher number of persons per household than King County and the state of Washington, consistent with its profile as a residential community.

A February 2012 report by Herbert Research forecast that the population would grow to 25,802 by 2015 and 29,081 by 2020 but it is uncertain that there is capacity in the housing stock to accommodate this much population growth.<sup>23</sup>

### **Population Residential Patterns**

The Herbert Research report shows the distribution of the population in terms of distance from City Hall. The majority of the residents live more than 7 miles from the city center. The fastest growth rate of housing, however, is for those household that live in Maple Valley City, followed by households 1 mile away from city Hall, households 3 miles away, 5 miles away and 7 miles away. The gradual decline in the growth of houses by distance shows an increasing favoritism for living in or close to the city center. These households would be prime candidates for in town retail shopping or employment. Table 2 summarizes population growth patterns in the last ten years by distance from the city.

<sup>22</sup> <http://quickfacts.census.gov/qfd/states/53/53033.html>

<sup>23</sup> Herbert Research, Inc. (February 21, 2012). *City of Maple Valley Resident Profile Executive Summary*.

Table 2: Population Growth Patterns, Maple Valley, 2000-2011<sup>24</sup>

	1-Mile	3-Mile	5-Mile	7-Mile	Maple Valley City
Population 2000	3,769	30,476	57,329	145,453	14,209
Population 2011	5,345	38,831	72,926	171,784	22,684*
% Growth Population	41.80%	27.40%	27.20%	18.10%	59.60%
Households 2000	1,298	10,288	19,347	50,148	4,809
Households 2011	1,876	13,357	24,944	59,703	7,679*
% Growth Households	44.50%	29.80%	28.90%	19.10%	59.70%

A February 2012 report by Herbert Research forecast that the population would grow to 25,802 by 2015 and 29,081 by 2020 but it is uncertain that there is capacity in the housing stock to accommodate this much population growth. Under this scenario it is projected that households will grow from 7,679 in 2011 to 8,974 in 2020.<sup>25</sup>

### Age and Race

Typical of a bedroom community, Maple Valley has a larger percentage of persons under 18 and under 5 years of age than King County and the State of Washington. Its elderly population of persons 65 and over is also less than that of King County and Washington. Table 3 charts population by age and gender.

Table 3: Current Population by Age and Gender, Maple Valley, 2010<sup>26</sup>

Age and Gender	Maple Valley	King County	Washington
Persons under 5 years, percent, 2010	8.8%	6.20%	6.5%
Persons under 18 years, percent, 2010	32.3%	21.10%	23.5%
Persons 65 years and over, percent, 2010	6.6%	11.60%	12.3%
Female persons, percent, 2010	50.6%	50.10%	50.2%

The city's high percentage of children under five and persons under 18 reflects the community's draw as a great place to raise a family due to the highly rated schools, community facilities and green spaces.

When it comes to race, Maple Valley has a larger percentage of whites than King county and Washington State with whites comprising 85.8% of the population. The largest minority groups are: Hispanic or Latino (5.7%), two or more races (5%) and Asian (4.5%). Table 4 charts population by race.

<sup>24</sup> <http://quickfacts.census.gov/qfd/states/53/53033.html>

<sup>25</sup> Herbert Research, Inc. (February 21, 2012). *City of Maple Valley Resident Profile Executive Summary*, p.5.

<sup>26</sup> <http://quickfacts.census.gov/qfd/states/53/53033.html>



Table 4: Current Population by Race, Maple Valley, 2007-2010<sup>27</sup>

Race	Maple Valley	King County	Washington
White alone, percent, 2010 (a)	85.8%	71.30%	77.3%
Black or African American alone, percent, 2010 (a)	2.1%	6.50%	3.6%
American Indian and Alaska Native alone, percent, 2010 (a)	0.5%	1.00%	1.5%
Asian alone, percent, 2010 (a)	4.5%	15.50%	7.2%
Native Hawaiian and Other Pacific Islander alone, percent, 2010 (a)	0.4%	0.80%	0.6%
Two or More Races, percent, 2010	5.0%	4.70%	4.7%
Hispanic or Latino, percent, 2010 (b)	5.7%	9.20%	11.2%

### Educational Attainment and Income

Maple Valley compares favorably with King County and Washington when it comes to education and income, as shown in the table below. Maple Valley has a higher percentage of high school graduates, 96.7%, than both King County and Washington. With 41.1% college graduates, it leads Washington but trails King County, which has 45.7% college graduates.

Maple Valley's median household income from 2007 to 2011 is \$98,264, 39.25% higher than King County's median income of \$70,567 and 66.86% higher than Washington state's median household income of \$58,890. Table 5 illustrates income, as well as education, for the city. Also shown in Table 5 is mean travel time to work. Maple Valley residents spend almost 50% more time than residents in King County and the state commuting to work, or an average of 38 minutes (generally on the road.)

Table 5: Education, Income, Travel Time to Work, Maple Valley, 2007-2012<sup>28</sup>

Education and Income	Maple Valley	King County	Washington
High school graduate or higher, percent of persons age 25+, 2007-2011	96.7%	91.90%	89.8%
Bachelor's degree or higher, percent of persons age 25+, 2007-2011	41.1%	45.70%	31.4%
Median household income, 2007-2011	\$98,264	\$70,567	\$58,890
Persons below poverty level, percent, 2007-2011	2.8%	10.50%	12.5%
Mean travel time to work (minutes), workers age 16+, 2007-2011	38	26.6	25.5

<sup>27</sup> Ibid

<sup>28</sup> Ibid

## Housing

Maple Valley's housing stock consists of primarily single family homes, with only 5.2% of units in multifamily housing units and an estimated 15.3% of the total housing stock occupied by renters (as of 2010). The homeownership rate is about 85%. These rates are consistent with the suburban profile of the community with high income, highly educated households.

Maple Valley's housing stock is affordable compared to other communities in King County. As Census values show, the mean value of owner-occupied housing units from 2007 to 2011 is 17% lower than King County, or \$342,300 compared to \$402,300.

According to the Census, the number of housing units in 2010 is 7,997. A study by Hebert Research estimated the number of occupied housing units in 2010 at 7,679 and projected that to rise 17% to 8,974 by 2020. While the Census indicates that 5.2% of housing units are in multi-unit structure, the Herbert study placed the percentage of renter-occupied housing at a figure of 15.3% for 2010.<sup>29</sup> In contrast, King County is comprised of 38% rental housing, and the homeownership rate is 59.6%.

Table 6: Maple Valley Housing Stock, 2007-2011<sup>30</sup>

Housing Stock	Maple Valley	King County	Washington
Housing units, 2010	7,997	854,703	2,885,677
Homeownership rate, 2007-2011	85.5%	59.60%	64.4%
Housing units in multi-unit structures, percent, 2007-2011	5.2%	38.00%	25.7%
Median value of owner-occupied housing units, 2007-2011	\$ 342,400	\$402,300	\$ 283,200

Though Maple Valley experienced a housing boom in the first decade of the century, it is expected to abate over the next ten years as Table 7 displays, adapted from the data presented in the report by Herbert Research.<sup>31</sup>

Table 7: Historic and Projected Housing Growth, 2000-2020

Housing Growth	2000-2010	2010-2020
% Growth Occupied Housing Units	37.37%	16.86%
Annual Growth Rate	3.74%	1.69%
% Growth Owner-Occupied	55.41%	15.84%
Annual Growth Rate	5.54%	1.58%
% Growth Renter-Occupied	74.40%	22.53%
Annual Growth Rate	7.44%	2.25%

<sup>29</sup> Herbert Research, Inc. (February 21, 2012). *Resident Profile Executive Summary*, p. 15.

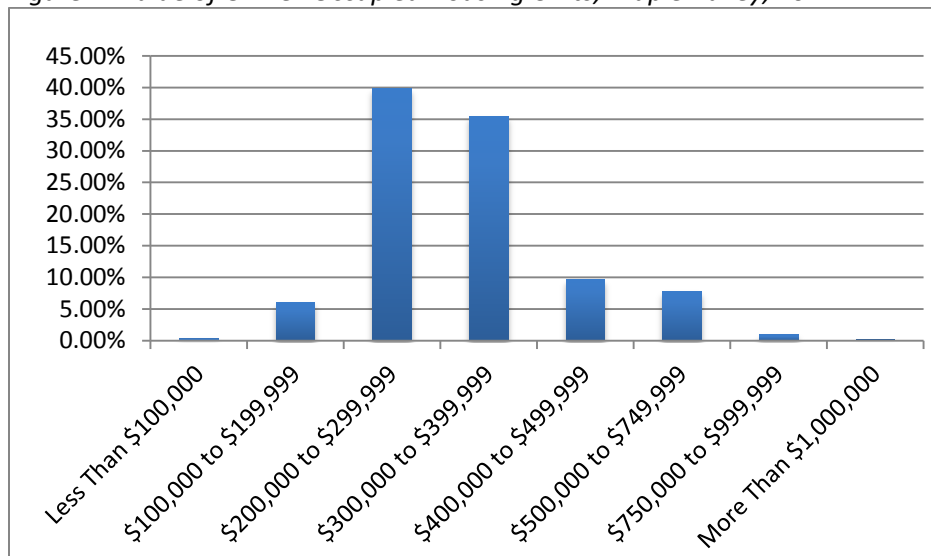
<sup>30</sup> <http://quickfacts.census.gov/qfd/states/53/53033.html>

<sup>31</sup> Herbert Research, Inc. (February 21, 2012). *City of Maple Valley Resident Profile Executive Summary*, p. 15

The annual growth rate of all occupied housing units is expected to decrease from 3.74% in 2000-2010 to 1.69% in 2010-2020. The annual growth rate of owner-occupied housing will decrease from 5.54% from the last decade to 1.58% in the next decade. The annual growth rate of renter-occupied housing will decrease from 7.44% from the last decade to 2.25% in the next ten years.

As Figure 1 shows,<sup>32</sup> the majority of owner-occupied homes in Maple Valley are in the range of \$200,000 to \$299,999 and \$300,000 to \$399,999, based on data from Herbert Research. This is consistent with the Census value of the median household value at \$342,400 for 2011.

*Figure 1: Value of Owner-Occupied Housing Units, Maple Valley, 2011*



## **Workforce, Maple Valley Employment and Growth Industries**

### **Key Characteristics**

Herbert Research, Inc. retained to consult on economic and workforce growth for the city, presented its findings to the City Council on February 21, 2012. Among its findings presented in its Economic Environmental Scan were:<sup>33</sup>

- The majority of the workforce in Maple Valley, or about 60% of the adult working population, commutes outside of the city for work.
- Of these commuters, an estimated 79% commute 31 miles each day.
- Over 22% of the Maple Valley workforce holds jobs at large companies including Microsoft, Expedia and Boeing.

Other salient facts about the Maple Valley workforce include:

<sup>32</sup> Herbert Research, Inc. (February 21, 2012). *City of Maple Valley Resident Profile Executive Summary*, p. 17

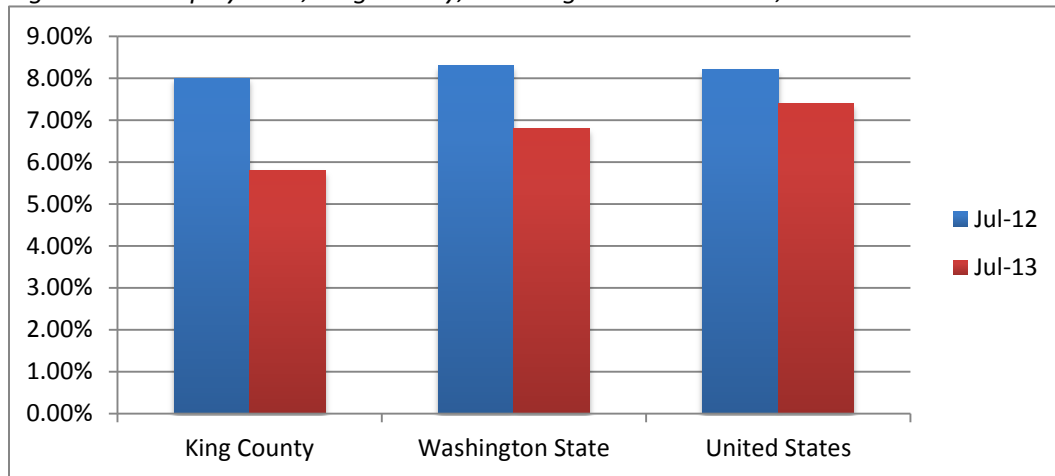
<sup>33</sup> Herbert Research, Inc. (February 21, 2012). *City of Maple Valley Economic Environmental Scan*.

- About three quarters of Maple Valley residents 16 and older are in the labor force and among them labor force participation is very high at more than 96%.
- The male labor force participation rate is 81%, significantly higher than the female labor force participation rate of 65.%
- The Census reported that the mean travel time from 2007 to 2011 to work was 38 minutes for workers in Maple Valley, compared to 26.6 minutes for workers in King County and 25.5 minutes for workers in the state of Washington.

## Unemployment

The latest figures from the U.S. Bureau of Labor Statistics reveal that King County is recovering faster from the recession than both the state of Washington and the United States. While unemployment was nearly as high in King County as nationwide a year ago (8.0% compared to the national rate of 8.3%), King County's unemployment rate subsequently has decreased to 5.8%, below the rate for Washington state and the region. Figure 2 and corresponding Table 8 display unemployment rates from July 2012 to July 2013 for King County, Washington state and the U.S., from the Bureau of Labor Statistics.<sup>34</sup>

*Figure 2: Unemployment, King County, Washington State and US, 2012-2013*



*Table 8: Unemployment, King County, Washington state and U.S., 2012-2013*

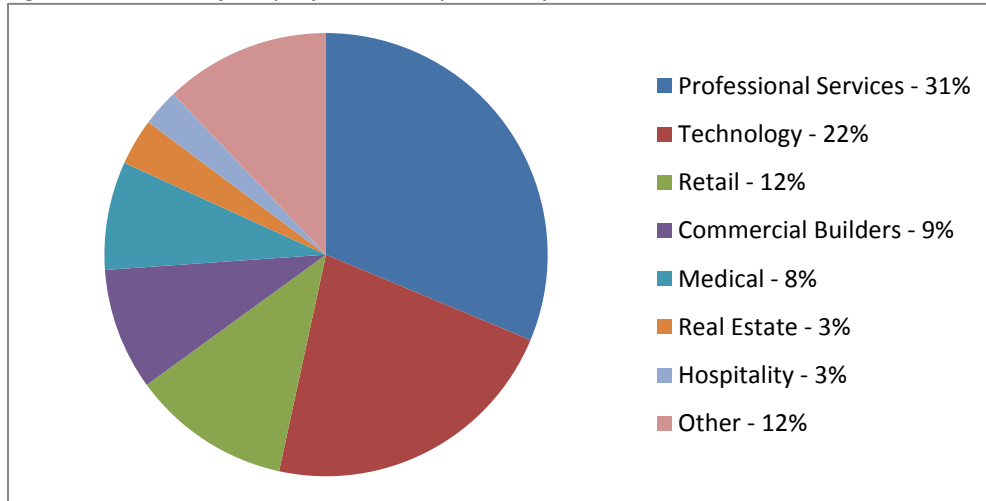
	July 2012	July 2013
King County	8.00%	5.80%
Washington State	8.30%	6.80%
United States	8.20%	7.40%

<sup>34</sup> "Labor force data by county, not seasonally adjusted, June 2012–July 2013."  
<http://www.bls.gov/lau/#tables>

## Industry and Employment in Maple Valley

The principle sectors of employment for Maple Valley residents are 1) professional services, 2) technology, 3) retail, 4) commercial building and 5) medical, as Figure 3 displays.<sup>35</sup>

Figure 3: Sectors of Employment, Maple Valley, 2012



While the Maple Valley workforce is employed primarily in professional services and technology, the top sectors in Maple Valley are retail, finance/services and government. There is a mismatch between the workforce talent and opportunities leading to the significant outflow of workers everyday to seek employment outside the city.

### Employers in Maple Valley

Some of the top employers in the city (at least 20 employees) include the following<sup>36,37</sup>:

- Fred Meyer Stores
- Gloria's Restaurant
- Maple Valley Fire & Life Safety
- MultiCare
- Johnson's Home & Garden
- QFC
- Safeway
- Tahoma School District

<sup>35</sup> Herbert Research, Inc. (February 21, 2012). *City of Maple Valley Resident Profile Executive Summary*, p. 20.

<sup>36</sup> Sue Ruff, Executive Director, Maple Valley Black Diamond Chamber of Commerce. (October 10, 2013). Phone Interview. <http://www.maplevalleychamber.org/directory>

<sup>37</sup> Economic Development Council of Seattle and King County web site. <http://edc-seaking.org/data-center/economic-data/city-profiles/maple-valley/>

- TRM (Lumber)
- Valley Medical Center Lake Sawyer Primary Care (UW Medicine Valley Medical Center)
- Windermere Real Estate

The passage of a bond measure in November 2013 to build a new high school (currently in Covington) on a site in Maple Valley called the “Donut Hole” will result in the relocation of 200 employees to the city (making it the site with the largest number of workers in the city).

### **Regional Growth Industries**

The City of Maple Valley is located in the Puget Sound region. The Puget Sound Regional Council (PSRC) represents the four counties in the region – King, Pierce, Snohomish and Kitsap. The region has built an international reputation as a leading hub for aerospace, technology and other industries.

The Economic Development Council of Seattle and King County has identified the following industry clusters as vital to the region, which closely mirror the industry clusters identified by the Puget Sound Regional Council:<sup>38</sup>

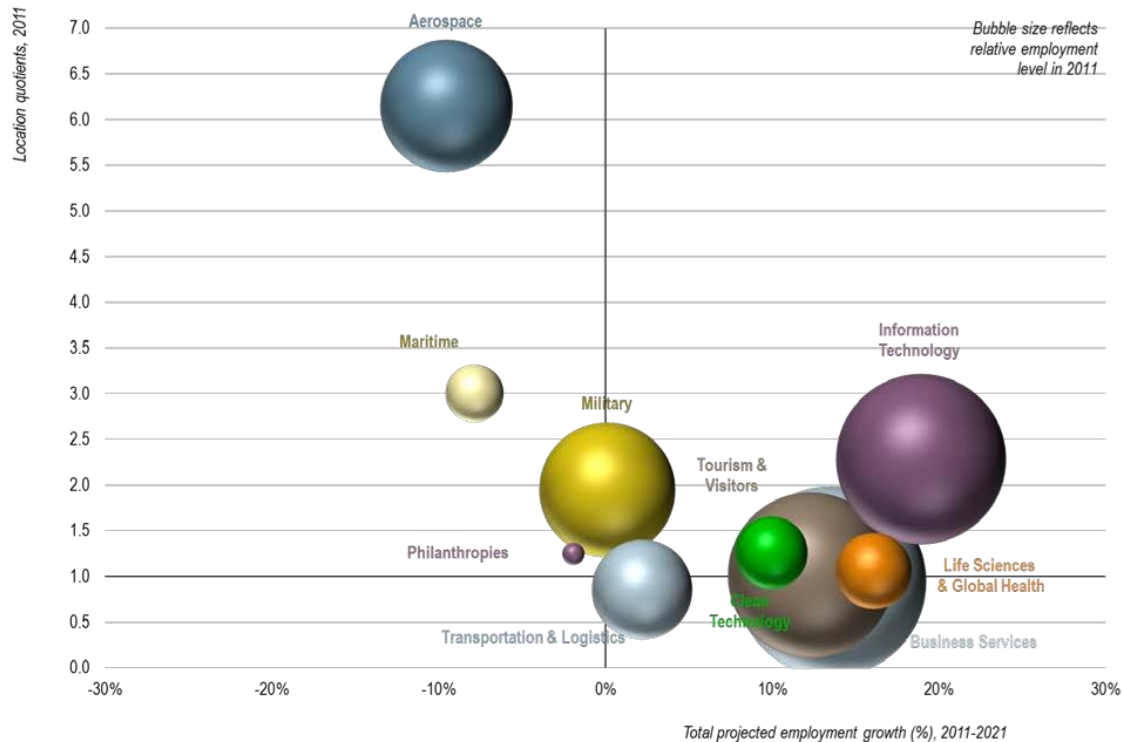
- Aerospace
- Clean Tech
- Financial Services
- Interactive Media
- Life Science
- International Trade
- Technology
- Fashion

PSRC research indicates which of the aforementioned industries are most concentrated in the region by measuring their location quotients, as well as which industries are poised to generate more employment in the future. Figure 4 is reproduced from the PSRC Regional Economic Strategy for the Central Puget Sound Region report and illustrates both measures on the horizontal (employment growth) and vertical (location quotient) scales:<sup>39</sup>

<sup>38</sup> Economic Development Council of Seattle and King County web site. <http://edc-seaking.org/industry-clusters/>

<sup>39</sup> Puget Sound Regional Council Regional Economic Strategy for the Central Puget Sound Region. (July 2012). P. 22. <http://www.psrc.org/assets/8558/RegionalEconomicStrategy.pdf>

Figure 4: Central Puget Sound Region “Cluster Employment Dynamics”  
Relative employment concentration (2022) & growth trends (2011-2021)



As the graph indicates, an industry such as information technology has a high location quotient of (between 2 and 3) and also has high total projected employment growth from 2011-2021 (about 20%). Other industries with high total projected employment growth are life sciences and global health, business services, tourism and visitors and clean technology.

Much of King County’s growth stems from strong exports. The port of Seattle is the closest point to Asia. Additionally, foreign investment accounts for many jobs in the state. Both export-oriented strategies and foreign direct investment are essential components of economic strategic growth for the region.

## **Appendix B. IEDC Expert Team Biographies**

### **Daniel C. Henderson, CEcD**

#### **Real Estate and Economic Development Director, Town of Gilbert, Arizona**

Dan Henderson is responsible for attracting, growing and expanding business and industry for the Town of Gilbert, Arizona. In this executive leadership role, he oversees the administration of a \$4.8 million departmental budget and ended fiscal year 2012-2013 with transactional activity exceeding \$194 million.

Previously, Dan worked for the City of Tempe for six years, where he implemented projects and programs that supported commercial, office, and industrial expansion. Prior to that, he worked for Raymond James Consulting, a national technology and solution delivery consulting group. In that role, he provided pre/post technical expertise, positioning strategies, requirements definition, market and business analysis, project management, application development and data warehousing/business intelligence solutions.

Dan also served as a Business Analyst and Project Manager on various business intelligence and facility acquisition projects with IBM Global Business Services. He started his career as the Manager of Foreign Direct Investment for the World Trade Center and was accountable for program development activities targeting European markets and the international trade community.

He is an adjunct faculty member for Chandler-Gilbert Community College in the Business and Computer Studies Division and is active in various civic organizations, including the Gilbert Historical Society Steering Committee; the Mayor's Breakfast with the Arts; Higley Center for the Performing Arts (board member); East Valley Boys and Girls Club (board member); Ahwatukee Foothills YMCA Youth Sports Committee; serves as a Grand Canyon State Games Commissioner and is a graduate of Tempe Leadership.

He also is active with various industry associations, holding board of director positions with the Greater Phoenix Economic Council (GPEC), CoreNet Global, Canada Arizona Business Council, and Arizona State University Polytechnic Community Board. He is a member of the Arizona Bio Association Governmental Affairs Committee, and Governmental Affairs Chair for the Arizona Association for Economic Development. Dan is a Certified Economic Developer, holds an undergraduate degree in Management and Finance and has received a Master of Business Administration with a concentration in Computer Information Systems.

### **Allison Larsen, CEcD**

#### **Principal, TadZo**

Allison Larsen leads TadZo, an economic development and site selection consulting firm, with over 17 years of economic development experience and more than 10 years in international business management and sales. Her core competencies encompass in target industry analysis, competitiveness assessments, workforce development, strategic planning, marketing and



informed facilitation. Allison is a highly successful economic development consultant with experience working in more than 63 communities across 21 states/provinces in North America.

Allison Larsen's ideas come out of her diverse background and experience – from growing up in a small rural community in Northern California to award-winning salesperson at a Fortune 100 “Most Admired” Company (Merck & Co.). Her entrepreneurship endeavors did not start with TadZo. She established an international distribution network for a venture capitalist, and even put herself through college by raising a herd of registered sheep.

Economic development came later in her career where she discovered she could leverage her global business experience and really make a difference in communities and people's lives. Working in front-line business recruitment at the Madera Industrial Development Corporation and the Economic Development Corporation serving Fresno County (both in California), she sited companies yielding more than 9,000 jobs. For the last 12 years, Allison was Principal consultant for Chabin Concepts, working in rural and urban communities, regional and state organizations.

She is a sought-after speaker and trainer for economic development best practices. She has spoken at conference and special events for IEDC, Economic Developers of Alberta, California Academy for ED, Mid-America EDC, Nebraska Public Power, Oregon EDA, Pacific Northwest Economic Development Council, Public Service of Oklahoma, South Carolina EDA, Texas Economic Development Council, Team Texas, Washington EDA and Wisconsin EDC.

Allison graduated from OU/EDI and earned her CECd from IEDC. She is a Fellow of the California Agricultural Leadership program and holds a B.S. from the University of California, Davis.

**Leland Smith**  
**President, Elesco Ltd.**

Leland (Lee) Smith is president of Elesco Ltd., headquartered in Bend, Oregon and Elesco LLC, headquartered in Olympia, Washington. Both companies provide planning and marketing services for economic development organizations while Elesco LLC specializes in business site development, reuse, and redevelopment.

Since 1988, Lee has helped develop industrial and business parks for cities, counties, airports, port districts, Indian tribes and other public and private sector clients throughout the western United States and Canada. He is currently providing market and economic feasibility analysis for redevelopment of a brownfield mining site in Metaline Falls, WA and is assisting the Nez Perce Tribe in Central Idaho to develop a manufacturing center on a 65-acre site that the Tribe acquired from Potlatch Industries. He is also working with the City of Ritzville, WA to develop the Washington Agriculture Discovery Center.

He has a B.A. degree in economics from the University of Oregon and an M.A. in economics from Portland State University. He taught economics and economic geography at the University of Washington, the University of Arizona, and the University of Colorado at Colorado Springs.

Lee was formerly senior vice president and national accounts marketing director for the Grubb & Ellis Company based in San Francisco, where he managed real estate advisory services to Fortune 500 companies.

His 20 years of economic development experience include serving as executive director of the Economic Development Council of Puget Sound (Seattle), director of the Tucson Economic Development Corporation, and director of the Colorado Springs Economic Development Council.

Professional recognition includes designation as a Master Professional Associate by the International Development Research Council (now CORENET). He is a former executive group member of the Urban Land Institute, and was recognized as a Certified Industrial Developer by the American Economic Development Council. He is a past president of the Pacific Northwest Economic Development Council.

#### Panel Staff

##### **Louise H. Anderson**

##### **Senior Associate, International Economic Development Council**

Louise Anderson is a Senior Associate and Managing Editor at IEDC. Louise has undertaken multiple roles since she joined IEDC in 2001. She has consulted on strategic planning and brownfields redevelopment projects for local governments and conducted research on a variety of economic development and organizational issues. Louise also edits IEDC's bimonthly newsletter, *Economic Development Now*. For four years, she edited a quarterly magazine, *Economic Development America*, for the U.S. Economic Development Administration, which featured innovative programs and best practices in the field.

Louise has experience in historic preservation, environmental planning, public relations, nonprofit management and growth management issues. Prior to joining IEDC, she provided research and planning assistance for Wake County, North Carolina, working primarily on the county's Open Space Program and Growth Management Task Force. She also served as the executive director of a small nonprofit organization and the communications director for the United Way in Research Triangle Park, N.C.

She obtained master's degrees in regional planning (with a focus on economic development) and public administration from the University of North Carolina at Chapel Hill. She also holds Bachelor of Arts degrees in journalism and English literature from Indiana University at Bloomington.

**Frankie Clogston**  
**Consultant**

Frankie Clogston has been consulting with IEDC for over ten years. She has worked on projects for the Department of Commerce's Economic Development Administration, Department of Energy, Ford Foundation, Rockefeller Brothers and other clients, in addition to writing speeches and articles for the organization. Frankie has expertise in economic development, economic analysis, policy analysis, writing and editing.

In addition to IEDC, Frankie worked as an economist for Seifel Consulting, where she consulted on redevelopment, tax increment, impact fees, economic planning and policy to communities in the San Francisco Bay Area. Frankie also has a background as a journalist for Reuters, ABC News and NBC News.

Frankie has a B.A. in Urban Studies and Economics from Stanford University and a M.A. in Applied Economics from Johns Hopkins University. Frankie is a Ph.D. Candidate in Political Science at Johns Hopkins University.